

Directorate of
Intelligence

~~Secret~~

 b (3)

Near East and South Asia Review

b (3)

6 April 1990

Approved for Release
Date JUN 1999

~~Secret~~

b (3)


6 April 1990

Copy 

b (3)

431

Warning Page Deleted

B-3

~~Secret~~

Near East and
South Asia Review

b (3)

6 April 1990

Page

Articles

[REDACTED]

b (1) b (3)

[REDACTED]

b (1) b (3)

Iraq-Syria-Turkey: Prospects for Conflict Over Euphrates River
Water

b (3)

11

b (3)

Tensions over the sharing of Euphrates river waters between Iraq, Syria, and Turkey are not likely to lead to hostilities in the near term, but rising demand will increase the potential for conflict toward the end of the decade. A water-sharing agreement would help defuse the issue, but none of the states is willing to compromise.

b (3)

~~Secret~~

6 April 1990

b (3)

~~Secret~~

The Arab Cooperation Council: Starting Year Two

b (3)

b (3)

The Arab Cooperation Council is moving into its second year with a record of modest accomplishment. For the near term Egypt, Jordan, and North Yemen will concentrate on implementing technical and scientific accords, while Iraq sees the organization as a political soundingboard and is looking to give it a greater military role.

b (3)

b (3)

b (3)

b (3)

b (3)

b (3)

Syria's Military Forces In Lebanon: A Status Report

25

b (3)

b (3)

Syria continues to maintain enough military troops in Lebanon to impose order in the areas it occupies and to slow a possible Israeli attack through the Bekaa Valley. These forces are experiencing morale problems due to extended deployments, prolonged periods of inactivity, and sporadic attacks by Lebanese and Palestinian groups.

b (3)

~~Secret~~

Secret

Lebanon: The At Ta'if Process - Not Lively, but Not Dead

b (3)
b (3)

The national reconciliation agreement negotiated in At Ta'if, Saudi Arabia, has become an important factor in Lebanese politics. Although the prospects for political reform in Lebanon are not promising, the At Ta'if accord has proven surprisingly resilient.

b (3)

Sudan: Implications of an Islamic Fundamentalist Government

33

b (3)

b (3)

Sudan's military government is heavily influenced by Islamic fundamentalists who favor extending Islamic law throughout the country. The regime's determination to retain Islamic law will impede its efforts to end the civil war in the south as well as estrange the nonfundamentalist political parties and much of the military.

b (3)

b (3)

b1, b (3)

b (3)

b1, b (3)
b (3)

b (3)

b1, b (3)
b (3)

b (3)

Iran: Internal Developments and Opposition Prospects

42

b (3)

b (3)

The Iranian regime remains deeply divided over the fundamental course it is to pursue in the post-Khomeini era. Although the clerical regime is not in danger, the lack of consensus among its members and the decline in living standards will give increased scope to antigovernment actions by dissident groups.

b (3)

Infighting Among the Afghan Insurgents: A Status Report

53

b (3)

b (3)

Infighting has plagued the Afghan resistance for years and is likely to continue over the near term at about the same level as in previous years. Conflict probably will escalate when the Kabul regime approaches collapse.

b (3)

A Troubled Future for India's Communist Parties

57

b (3)

b (3)

India's Communist parties have looming problems that could lead to their eclipse in national politics by centrists and the resurgent Hindu chauvinist movement. The unwillingness of the parties' aging leaders to adapt their hardline ideology to the changes in world Communism has played an important role in their decline.

b (3)

Sri Lanka After the Indians Leave

63

b (3)

b (3)

The Liberation Tigers of Tamil Eelam, the most powerful Tamil group, are cooperating with the Sri Lankan Government in the wake of the Indian withdrawal from the island, but they are likely to renew their struggle for an independent Tamil homeland in the longer term.

b (3)

Royal Nepalese Army: Progress and Problems on the Road to Modernization

67

b (3)

b (3)

The Royal Nepalese Army can protect the government from internal threats, but it would probably be incapable of offering much resistance to a foreign invasion. Recent efforts to modernize the Army are unlikely to have much impact on improving Nepal's defensive capabilities.

b (3)

~~Secret~~

Brief

Libya-Niger: Tripoli Gaining Access

B3

71

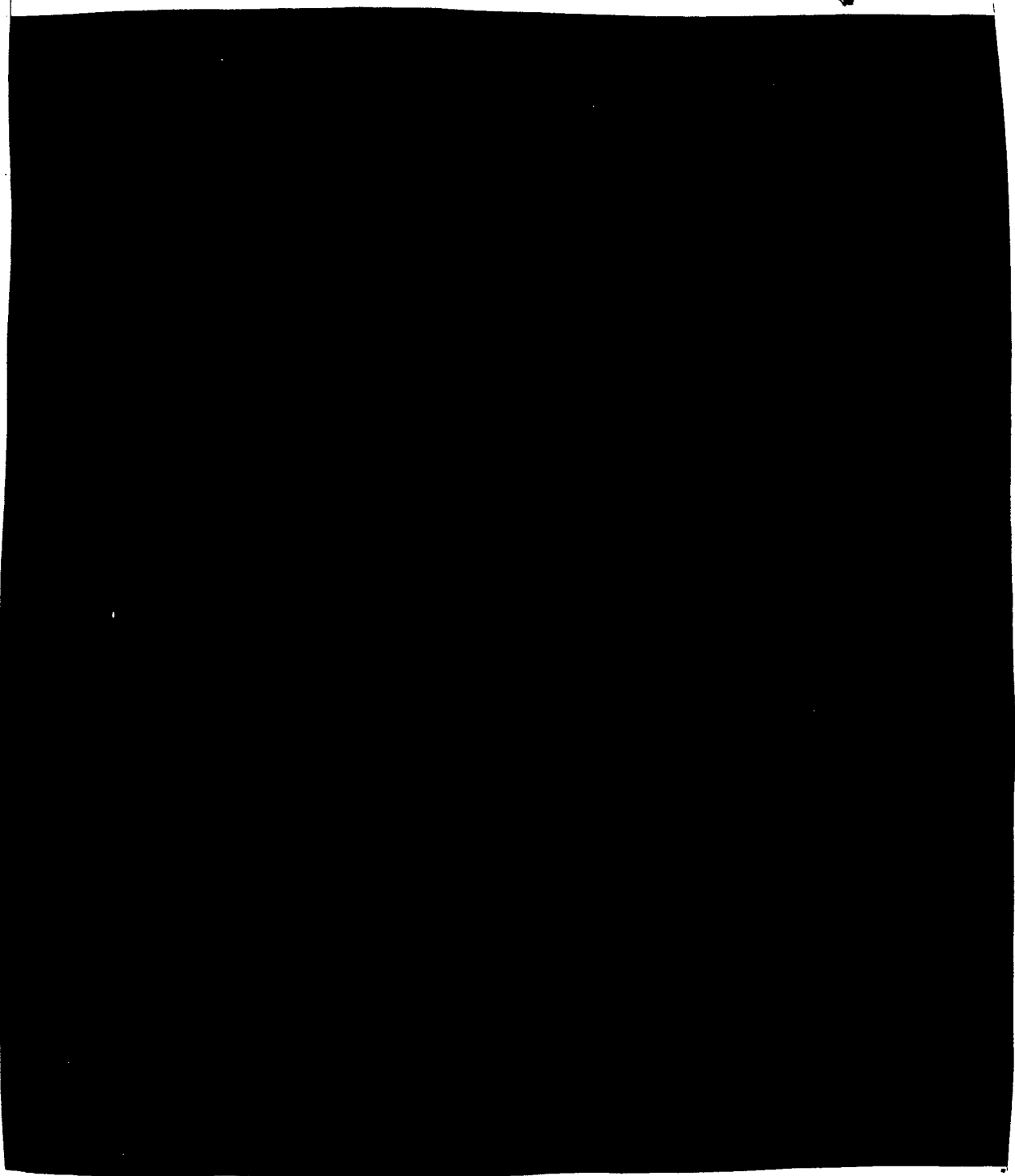
Some articles in the Near East and South Asia Review are preliminary views of a subject or speculative, but the contents normally will be coordinated as appropriate with other offices within CIA. Occasionally an article will represent the view of a single analyst; an item like this will be designated as a noncoordinated view. Comments may be directed to the authors, whose phone numbers are listed.

B3

License Blank

~~Secret~~

~~SECRET~~



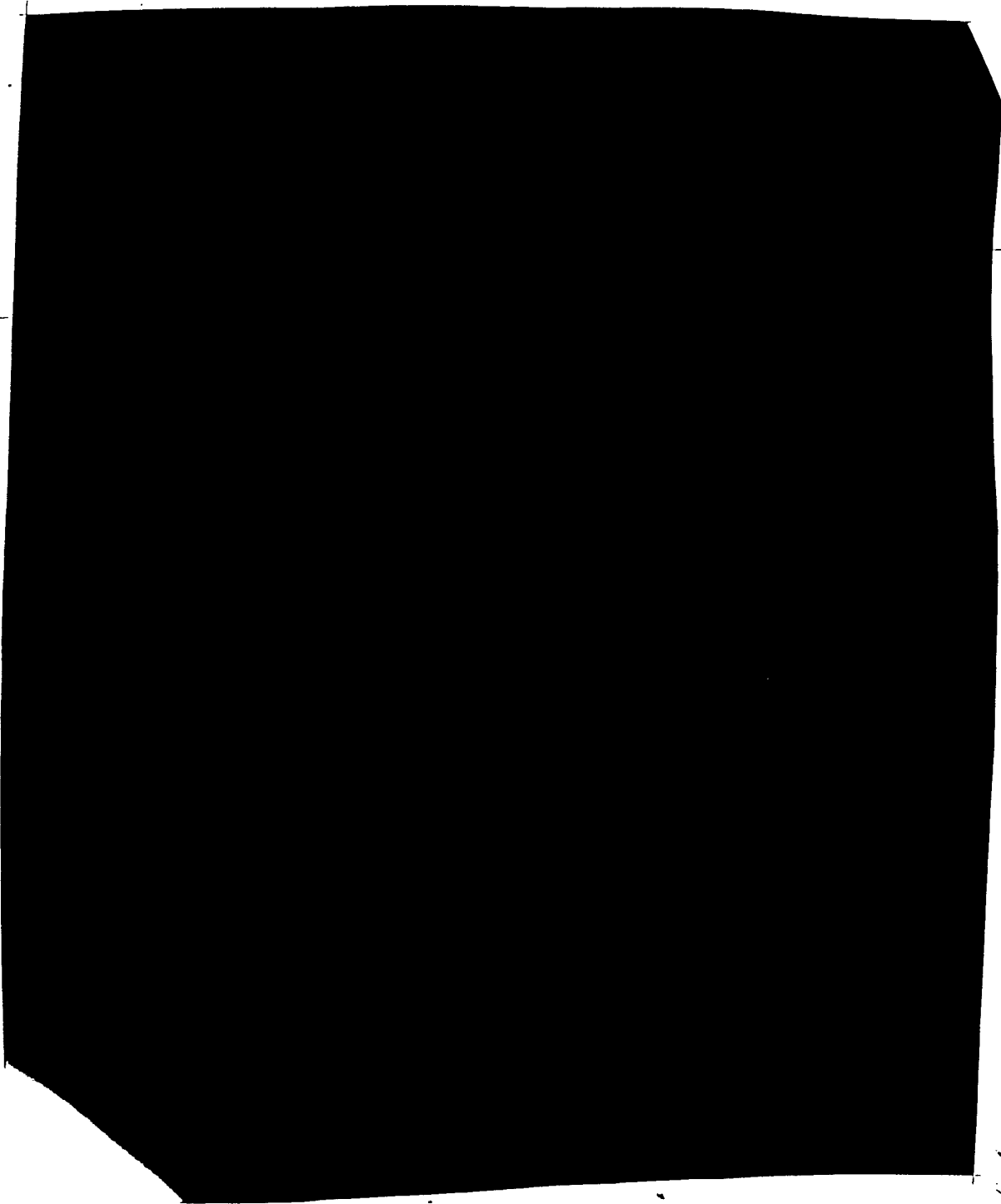
b(1) b(3)

~~Secret~~

6 April 1990

b(3)

~~Secret~~



b(1) b(3)

~~Secret~~

~~Secret~~

b(1) b(3)

3
~~Secret~~

~~Secret~~

b(1) b(3)

~~Secret~~

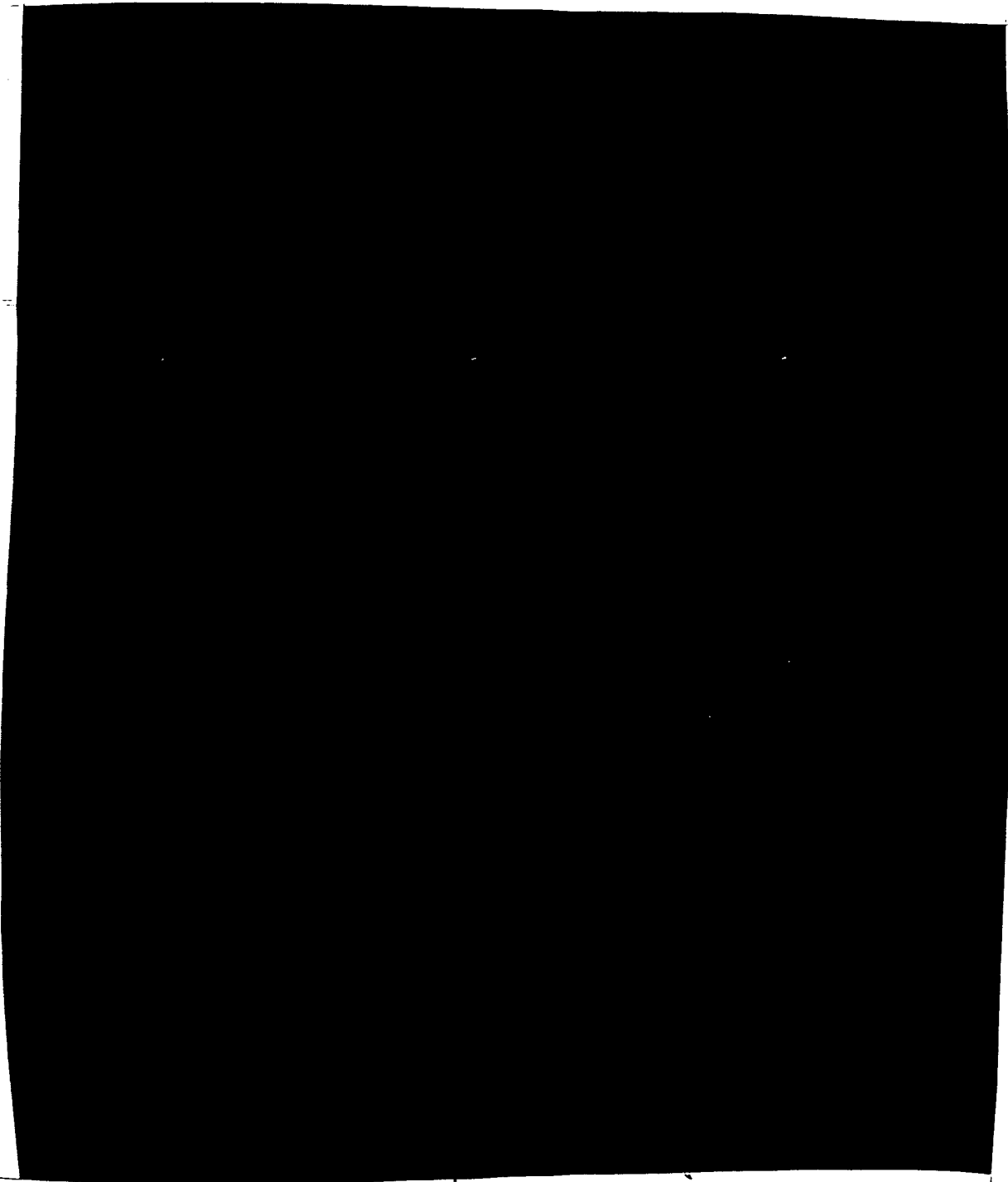
~~Secret~~

b(1) b(3)

~~Secret~~

6 April 1990

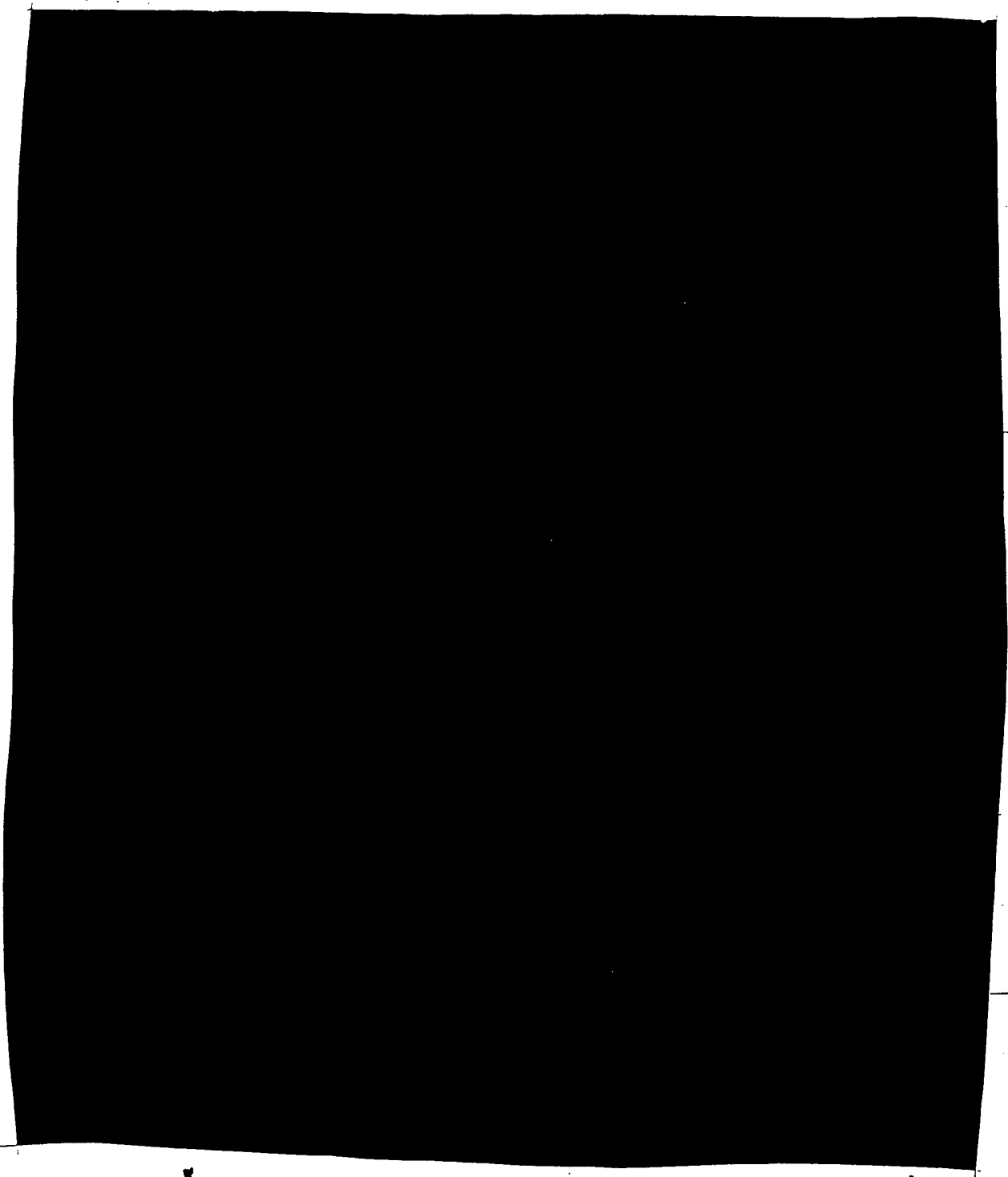
~~Secret~~



b(1) b(

~~Secret~~

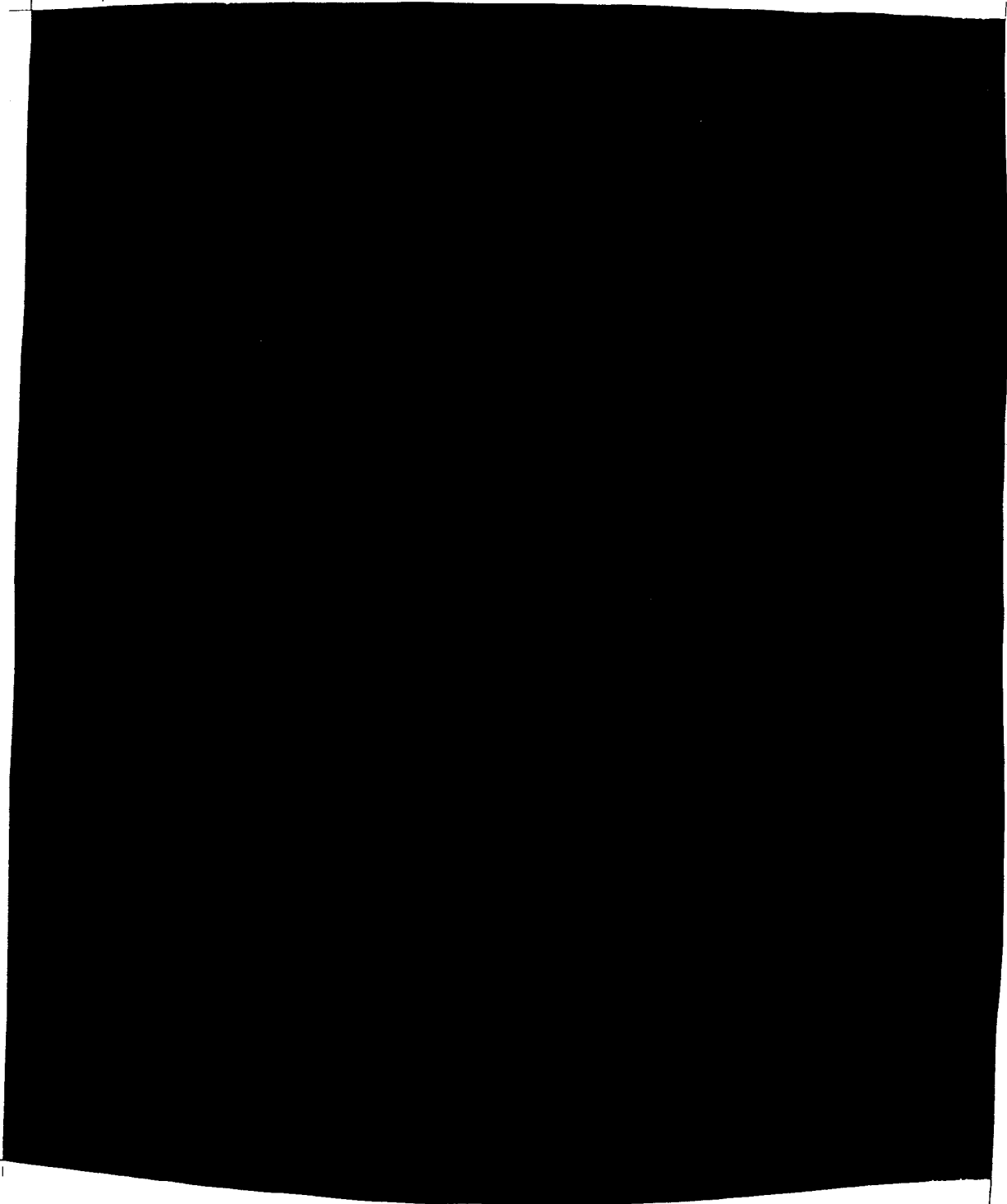
~~Secret~~



b(1) b(3)

~~Secret~~

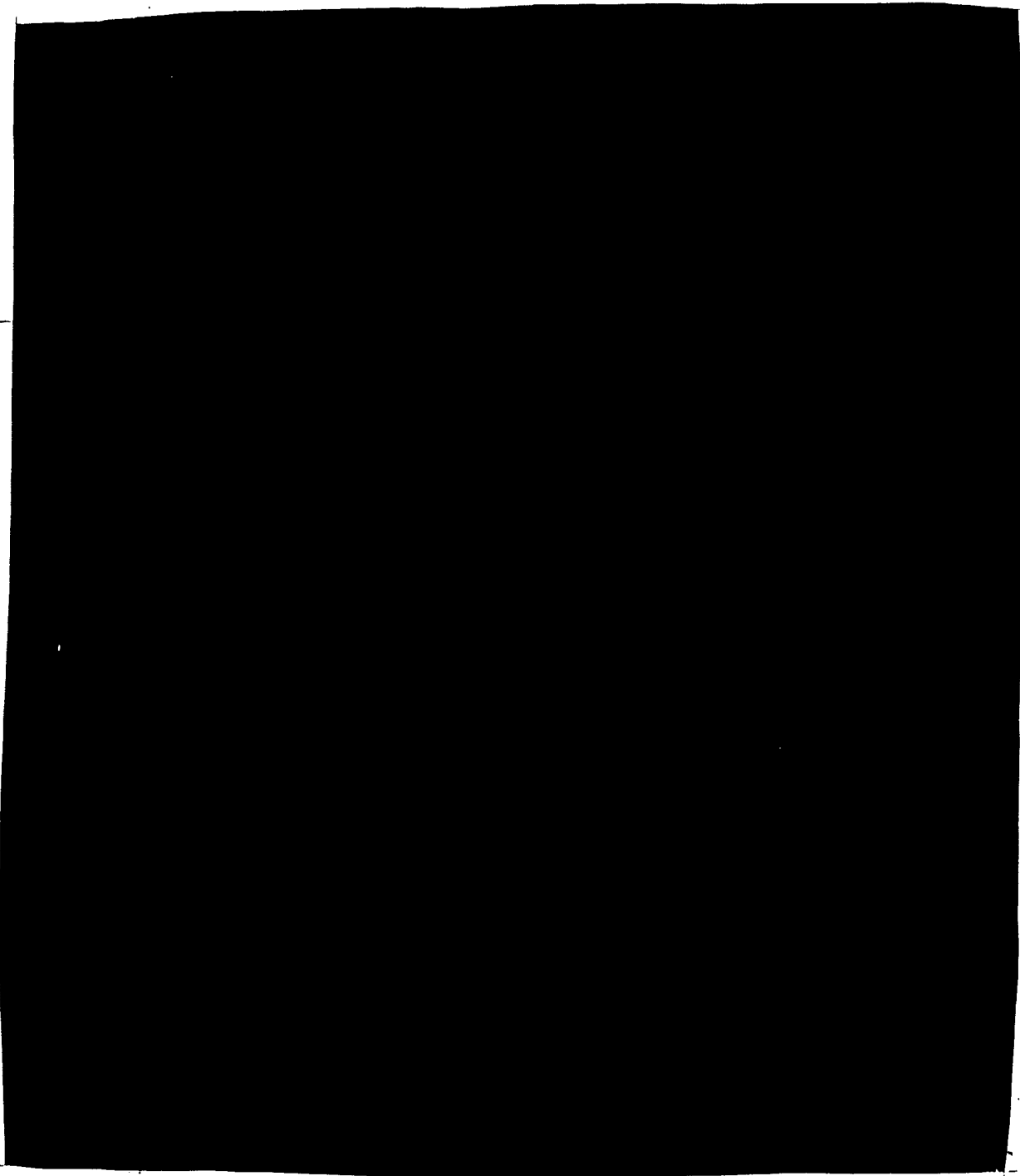
~~Secret~~



b(1) b(7)

~~Secret~~

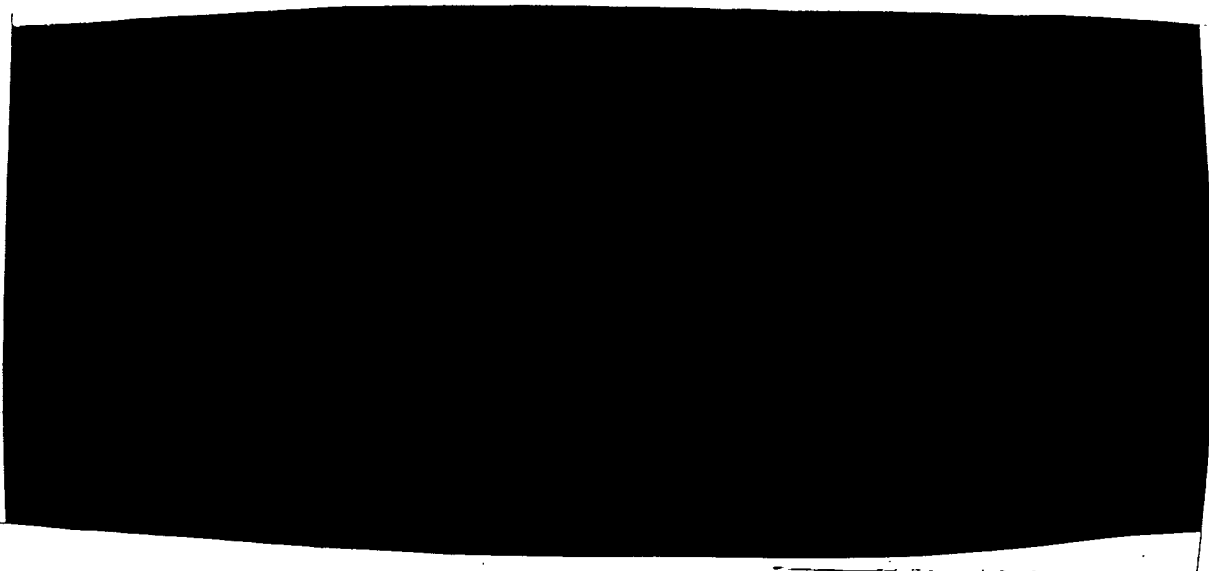
~~Secret~~



b(1) b(3)

~~Secret~~

~~Secret~~



b(1) b(3)

~~Secret~~

~~Secret~~

Iraq-Syria-Turkey: Prospects for Conflict Over Euphrates River Water

Tensions over the sharing of Euphrates river water between Iraq, Syria, and Turkey are not likely to lead to hostilities in the near term, but rising demand will increase the potential for conflict toward the end of the decade. A water-sharing agreement would help defuse the issue, but Turkey opposes compromising its ambitious water development plans. Moreover, bitter relations and conflicting economic interests between Iraq and Syria make agreement on water sharing difficult. More likely, Iraq and Syria will separately press Turkey to negotiate concessions, using a combination of political and economic pressure and perhaps sabotage. If there is no agreement and water shortages become more severe, as is likely in the late 1990s, we believe Iraq and Syria will consider military options.

b (3)

The Problem

Over the past two months tension between Iraq, Syria, and Turkey has increased as Ankara temporarily cut the flow of the Euphrates river to seal diversion tunnels in the newly constructed Ataturk Dam. For Iraq and Syria this event brought into sharp focus their water resource vulnerabilities. The problem is likely to increase over the next decade as Turkey implements its ambitious Southeast Anatolia Project and Syria goes ahead with proposed dams and irrigation facilities on the Euphrates and the Khabur River, its major tributary. We believe financial and technical problems will delay completion of the Turkish and Syrian projects, but even partial development would significantly reduce the flow of Euphrates water, especially to Iraq.

b (3)

There is no water sharing treaty or clearly defined mechanism to settle disputes among the Euphrates riparian states. A low-level tripartite technical committee meets periodically, but its sole mandate is to compare data and discuss water flow issues. Turkey claims sovereign rights to Euphrates water because the headwaters, which account for over 95 percent of the river's flow, are in its territory. In our view, Ankara sees little reason to negotiate away use of water originating in Turkey unless it is allowed to

b (3)

set the terms of a water-sharing agreement. As a result, Ankara has blocked Iraqi and Syrian proposals to use the technical committee as a forum to discuss the fixing of water shares.

b (3)

Prospects for Resolution

A water-sharing agreement would probably require Syria and Turkey to curtail water projects on the Euphrates, but this would have a major adverse impact on both countries. The Southeast Anatolia Project is the cornerstone of Turkey's economic development strategy in the 1990s, providing needed electrical power for industry and irrigation for agriculture in the country's underdeveloped and insurgency-prone southeastern region.¹ Syria is banking on developing its hydroelectric power potential and expanding its irrigated agriculture to meet energy and food needs for its rapidly growing population. We believe Ankara and Damascus are unwilling to pay the domestic political and economic price of scaling back these projects to meet each other's and Iraq's water needs.

b (3)

Mutual suspicions and bitter political rivalries will vitiate efforts to establish a workable water-sharing arrangement. Turkey accuses Syria of supporting the Kurdish Workers' Party—a subversive Kurdish political party and guerrilla group. Iraq and Syria are longtime political foes, and the filling of the Euphrates Dam in the mid-1970s nearly caused them to go to war. The extent of mutual distrust together with the political and economic significance of the issue make it likely that any agreement would require the direct participation of the heads of state of Iraq, Syria, and Turkey.

b (3)

Prospects for Conflict

Water scarcity problems are not likely to become severe within the next several years, and we do not foresee a deliberate cutoff of water by Turkey that

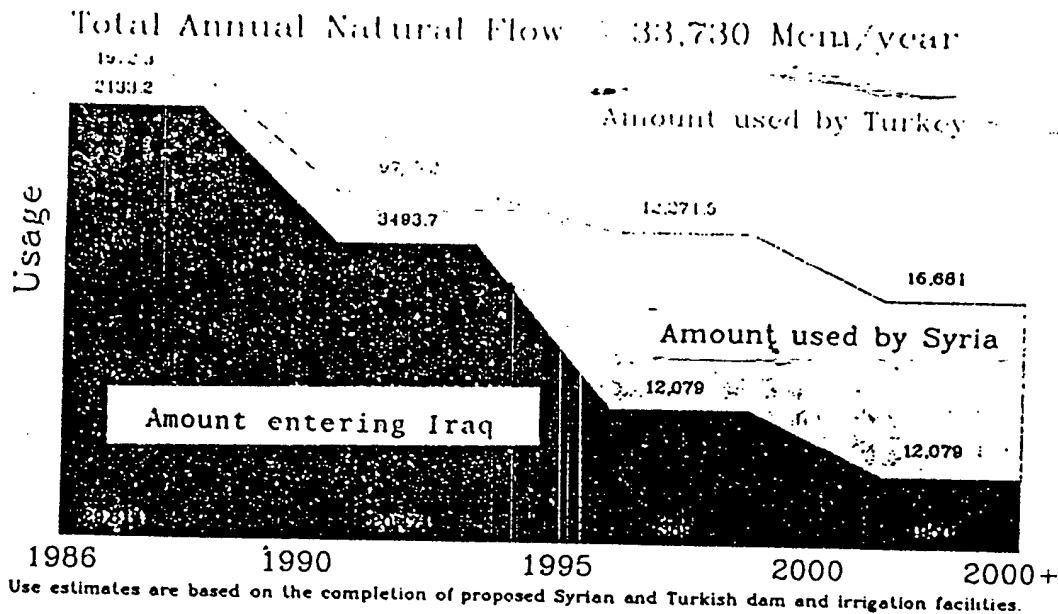
¹ Turkey's multibillion-dollar development program comprises 13 major projects to construct dams, irrigation facilities, and power stations on the Euphrates and Tigris rivers.

b (3)

b (3)

~~Secret~~

Euphrates River Usage



b (3)

would spark a military response by Iraq or Syria. Instead, we believe both Iraq and Syria will resort to political, economic, and covert pressures in the 1990s to register their displeasure with Turkey:

- Baghdad will continue efforts to garner support for its riparian rights in regional forums such as the Arab Cooperation Council, the Arab League, and multilateral bodies in the United Nations.
- Should Iraq be able to ship oil through the Gulf in the next few years, it might stop oil deliveries through the Turkish pipeline in retaliation for a sharp reduction in water supplies to Iraq.
- Both Iraq and Syria could step up support to Kurdish rebel groups operating in Turkey. In exchange for support, Baghdad and Damascus might direct these groups to attack Turkish water diversion projects, electrical power stations, and the personnel associated with them.
- Iraq could also direct Syrian subversive groups under its sponsorship to attack Syrian targets if

Baghdad believed Damascus was siphoning off more than its share of Euphrates water.

A Military Solution?

Barring an agreement, the Euphrates water supply will become increasingly tight toward the end of the decade — sooner if there is a severe drought — as upstream water projects in Turkey and Syria come on line. Iraq would be hurt most, and Baghdad's ire probably would be directed at Damascus because they are longtime adversaries and Syrian water diversions have the most direct impact on Iraq. Although we believe the prospects for military action would be small, Iraq or Syria could consider more seriously the use of military force to resolve the dispute:

- Iraq could mass troops on the Syrian border as a means of intimidation, as it did in the water crisis of the early 1970s.
- Iraq or Syria might eventually resort to military threats to try to force Turkey to the bargaining

b (3)

~~Secret~~

~~Secret~~

b (3)

table. For example, missile or chemical weapons "rattling" by Iraq or Syria would highlight Turkey's strategic vulnerabilities. Turkey has no equivalent capabilities. [REDACTED]

The principal indicator of significant military operations would be the redeployment of major ground forces in Iraq and Syria and the buildup of logistic capabilities, including large quantities of supplies, near common borders to sustain combat forces. To accomplish this, Syria, which has virtually no ground forces on either the Turkish or Iraqi border, probably would need to reduce its forces in Lebanon, create new divisions, or draw down forces facing Israel. Iraq would also have to redeploy forces — probably some of its elite Republican Guard units. [REDACTED]

b (3)

b(1) b(3)

b(3)

Excerpt Blank

~~Secret~~

~~Secret~~

The Arab Cooperation Council: b (3)
Starting Year Two

The Arab Cooperation Council is moving into its second year with a record of modest accomplishment. Given the geographic separation and economic and political differences of the council's members - Iraq, Egypt, Jordan, and North Yemen - the lack of major concrete achievements after only one year is no surprise. The fact that the organization has held together despite the centrifugal forces acting on it indicates that its members see the council serving a useful function. For the near term Egypt, Jordan, and North Yemen will concentrate on trying to make progress implementing over two dozen technical and scientific accords that have been signed. Iraq, on the other hand, will use the organization as a political soundingboard and look for opportunities to give it a greater military role.

b (3)

Military Cooperation: Iraq's Ambition

We believe Iraq had hoped the Arab Cooperation Council would emerge as an alliance with military and strategic significance that would help Baghdad fulfill its regional ambitions and, in particular, isolate its archenemy, Syria. Iraqi ambitions have been stymied mainly by the Egyptians, who are trying to juggle their relationship with Israel and their leadership role in the Arab world.

b (3)

Economic Cooperation: Less Than Meets the Eye
The Arab Cooperation Council was launched a year ago with a sweeping statement of economic objectives:

b (1) b (3)

~~Secret~~

6 April 1990

b (3)

- Economic cooperation aimed at the eventual creation of a common market among member states.
- Increased transportation and communication links among the members through the development of rail, road, and telecommunication facilities.
- Labor agreements that will ease movement among the members and enhance employment opportunities.
- Information and cultural cooperation to promote mutual understanding.
- Legal and judicial agreements to unify legislative practices and facilitate cooperation in fighting illegal drug traffic and consumption.

b (3)

Although 27 accords have been signed in a variety of areas — technical, scientific, legal, and industrial — none of them has been implemented in any significant way. 1990 will be devoted to putting the accords into practice, but any movement probably will be at a snail's pace. Technical committees must first draft proposals and then refer them to member governments for approval.

b (3)

b (3)

Behind the smokescreen of ceremonial signings, the council's first year has been almost a textbook case in economic noncooperation, as the economies of the four states do not jibe in ways that lend themselves to coordination. Proposals to merge airlines, integrate industries, and expand trade ties have been stymied by conflicting national interests.



b1
b3

b (3)

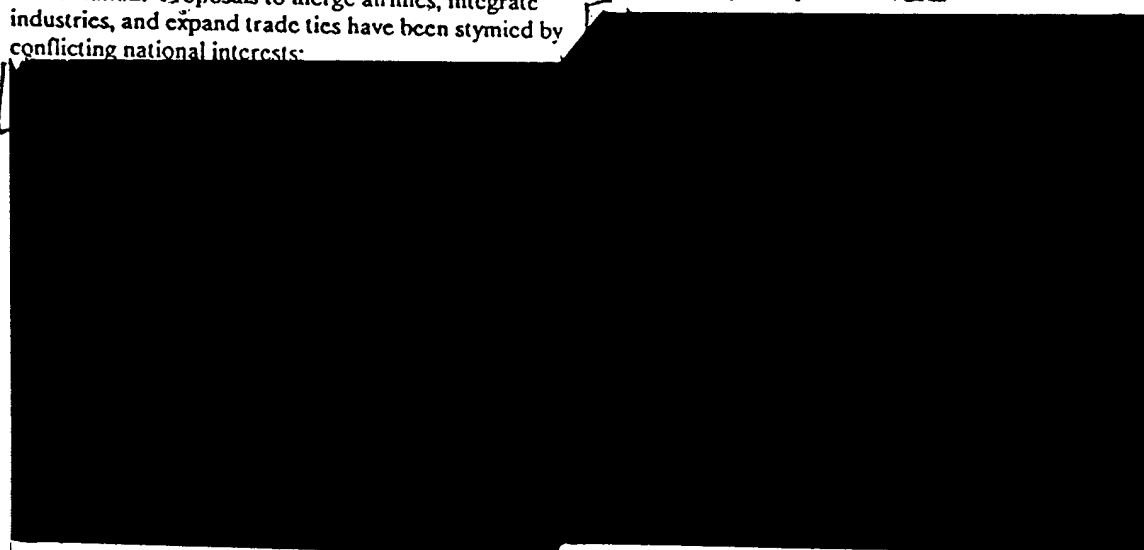
Political Possibilities

The summit meeting held in Amman in February 1990 to mark the organization's first anniversary emphasized both the council's role as a political podium and the likelihood that members will try to use it for different purposes.

b1, b3

Iraqi President Saddam Husayn exploited the occasion to deliver a diatribe against the US presence in the Persian Gulf, which probably embarrassed the other three leaders and contributed to the early breakup of the meeting. Saddam's speech reflected his reluctance to let the Egyptians take the lead in defining council policy or even to defer to deep-seated Egyptian sensibilities. Cairo does not want to be a party to inflammatory statements that might conceivably injure the already crippled Arab-Israeli peace process.

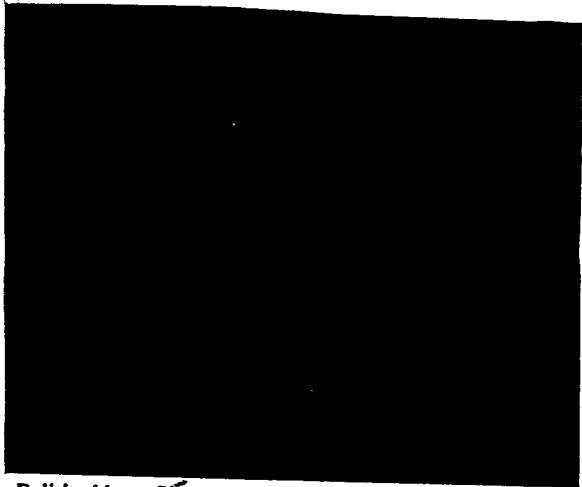
b (3)



b1, b3


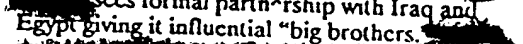
b (3)

b1, b3



b (3)

Political benefits to the other three members have been fewer:

- Iraq probably sees the council giving Baghdad a forum to increase its involvement in regional issues and a way to keep Syria off balance. To the extent that the military relationships among the members can be translated into enhanced political clout, Iraq will see the council as an asset in its drive for regional prominence.
- Jordan  sees formal partnership with Iraq and Egypt giving it influential "big brothers."
-  Amman may see the council as a way of obtaining a voice in larger Arab matters.
- Membership in the council gives North Yemen a potentially useful counterweight to overwhelming Saudi influence as well as a modicum of political stature.

b1
b3

b (3)

Outlook and Implications for US Interests

The council's role may grow as regional players react to the Soviet Union's more moderate stance, which has been perceived in the area as effective Soviet

withdrawal in favor of US influence. A sense, even among traditional friends of the United States, that Washington has too free a hand may reinforce Arab efforts to close ranks. The Gulf Cooperation Council and, to a lesser extent, the Maghreb Arab Union serve as examples of the usefulness of regional organizations in multiplying influence. Lacking the geographic cohesion of these two groups, the Arab Cooperation Council will probably have a harder time translating formal membership into common policy, but modest past successes will encourage new attempts.


b (3)

We do not see the rivalry between Iraq and Egypt leading to the council's rupture in the near term, mostly because the organization is unlikely to tackle the tough issues involved in economic integration and Baghdad will probably not push its military-strategic agenda to the point of an open break with Egypt. Moreover, member states will see the council as a useful tool in pursuing their individual foreign policy goals, turning to it pragmatically when they expect the agreement and assistance of their colleagues and avoiding it when they foresee friction and criticism.

b (3)

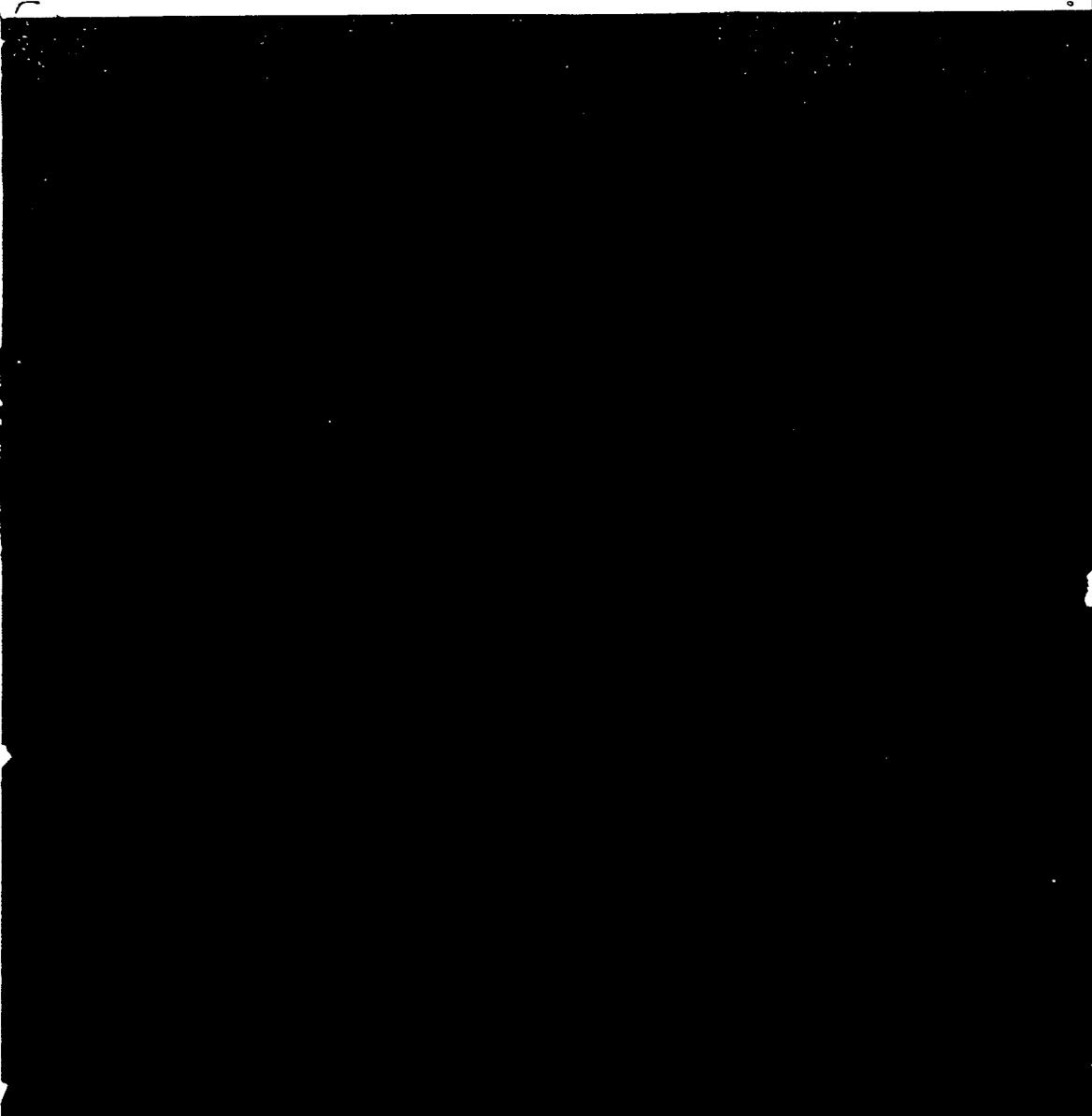
Despite US friendship with Egypt and Jordan, the United States can expect the council to be a forum for criticism of US Middle East policies. Saddam Husayn's anti-US diatribe at the summit meeting in Amman illustrated the danger. Although Saddam's remarks probably were an embarrassment to Egypt and Jordan,

b1, b3

 There is reason to expect similar performances in the future.

b (3)

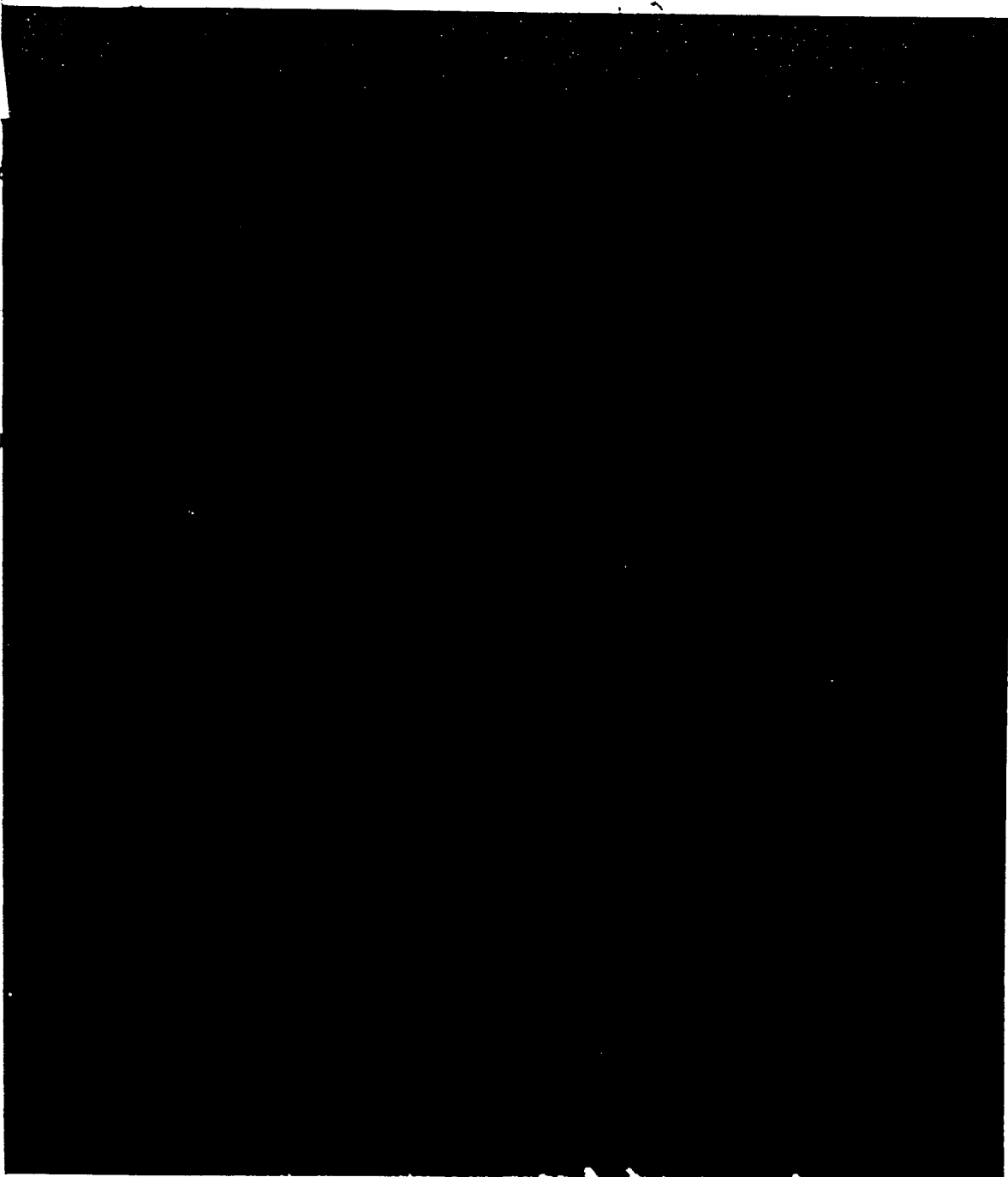
b (3)



B1, B3

~~Secret~~

~~Secret~~



b (1) b (3)

~~Secret~~

6 April 1990

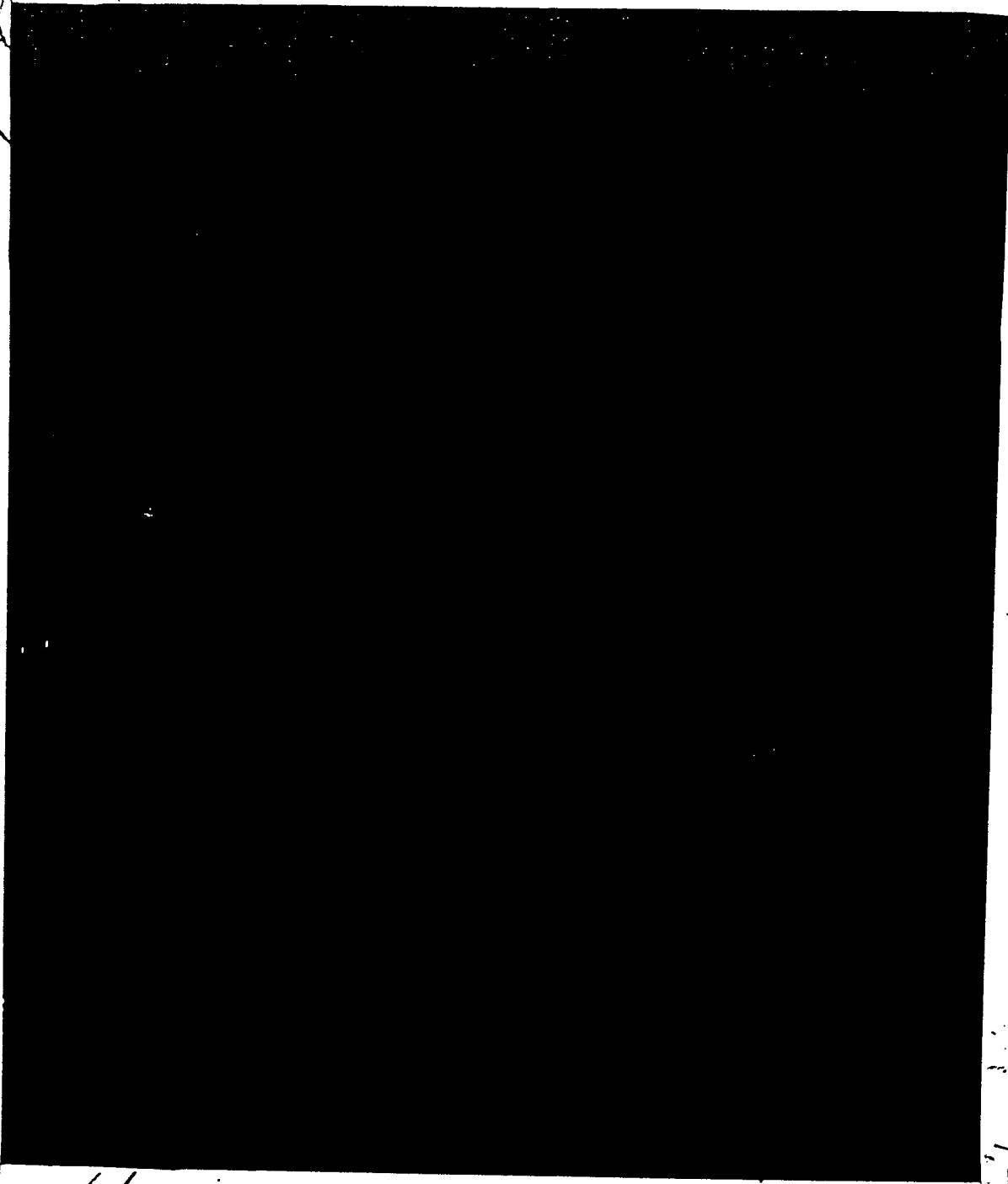
b (3)

~~Secret~~

b (1) b (3)

~~Secret~~

~~Secret~~



b1,
b3

~~Secret~~

~~Secret~~

B1, B3

~~Secret~~

b (3)

Syria's Military Forces in Lebanon: A Status Report

b1, b3 Syria continues to maintain enough military troops in Lebanon to impose order in the areas it occupies.

b1, b3 Syria also has concentrated sufficient forces in the Beirut area to launch a successful, albeit costly, attack against Christian strongman Michel Awn. Syrian forces in Lebanon are experiencing morale problems, however, largely due to extended deployments - up to three years for many units - prolonged periods of inactivity, and sporadic attacks by Lebanese and Palestinian groups. Moreover, the combat readiness of Syrian troops in Lebanon has suffered because their operational mission, which requires constant high alert, precludes regular training. Despite these problems and the economic cost of supporting such a large force beyond its borders, we believe Syria will maintain enough troops in Lebanon to support its objectives - a pliant government in Beirut and defense against the Israeli threat.

Background

b1, b3 Syria first sent troops to Lebanon in early 1976, deploying about 50 officers to Beirut to help police one of many cease-fires in the rapidly growing civil war. By June 1977, Syrian troops were in Lebanon supporting the Maronite Christians against leftist Muslims, the Druze, and Palestinians. The Syrian military presence reached its peak by the end of the year following a decision by the Arab League to create a predominantly Syrian-manned Arab Deterrent Force to restore peace.

b1, b3 In 1978, Damascus switched its support to the Muslims, Druze, and Palestinians and clashed with Christian militias that were expanding their ties to Israel. Syria's military presence peaked in 1981. The Israeli invasion in 1982 forced Damascus to withdraw its forces from Beirut and the southern Bekaa Valley and concentrate them in western Lebanon to protect the approaches to Damascus.

b1, b3 By mid-1985, Syria's troop level had fallen, but Damascus deployed

soldiers to Beirut in February 1987 to support its Shia Amal ally, which was fighting the Palestinians. As Syrian forces moved into urban areas, they came into conflict with Lebanese groups and frequently were the target of attacks. Syrian troops became entangled in fighting between the Amal and Hizballah Shia militias in 1988 and slugged it out with Awn's forces for several months last year. Damascus deployed troops to Lebanon late last year following the assassination of Lebanese President Rene Muawad in November. So far they have managed to avoid becoming directly involved in the Christian infighting that erupted earlier this year.

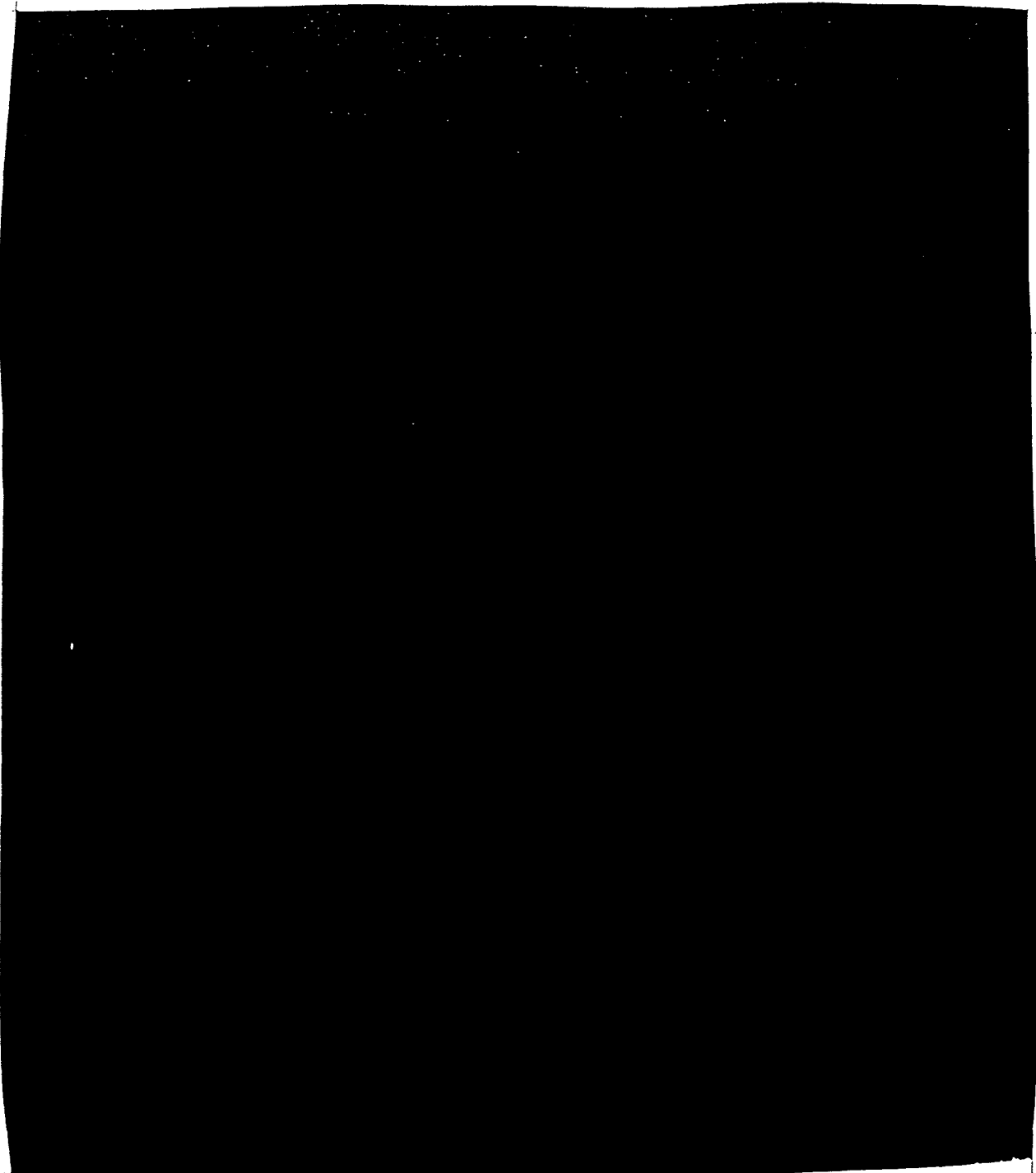
Syrian Forces on the Ground

There are more Syrian troops in Lebanon now than at any other time except 1981.

Syria also relies heavily on special forces in Lebanon.



~~Secret~~



b(1) b(3)

~~Secret~~

Secret

Syrian Military Involvement in Lebanon, 1976-89

1976
January 50 Syrian officers arrive in Beirut to police the 26th cease-fire in Lebanon's growing civil war

June Damascus deploys ~~troops~~ troops to Lebanon to protect Maronite Christians under attack by leftist Muslims, the Druze, and their Palestinian allies

October-November Syrian troop buildup reaches ~~its peak~~ following Arab League decision to create a predominantly Syrian-manned Arab Deterrent Force to restore peace.

1978
June-October Syrians switch sides and clash with Christians because of growing Christian ties to Israel, which launched a limited invasion of southern Lebanon in March and withdrew in July.

1981 Syria's military presence reaches a high point ~~in Lebanon~~

1982
June Syrian forces retreat from the Beirut area and its environs and the southern Bekaa Valley during Israeli invasion.

1985
June-July Syria's troop level falls ~~as Israel~~ as Israel withdraws military from most of South Lebanon.

1987
February Fighting between Syrian-backed Shia Amal militia and an alliance of Palestinians and Druze prompts Damascus to deploy ~~troops~~ troops to West Beirut. This provokes fighting between Syrian forces and radical Shia Hizballah fighters.

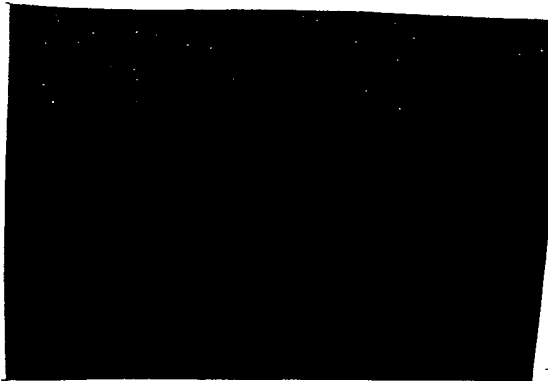
1988
May Syrian troops fail to impose order on warring Shia factions despite limited entry of ~~troops~~ troops to Beirut's southern suburbs.

1989
March Syria and its Muslim surrogates initiate artillery duel with forces of Christian strongman Awn after Awn imposes blockade on Muslim ports.

September As part of the Al Ta'if agreement, Damascus agrees to redeploy its forces to the Bekaa Valley in two years following the formation of a new Lebanese government.

November Damascus deploys ~~additional~~ additional troops to Lebanon in response to the assassination of Lebanese President Rene Muawad.

b1, b2



b(1) b(3)

Mission

In our judgment, the Syrian troop presence in Lebanon is intended to promote Damascus's long-term goal of establishing a unified, nonsectarian Lebanese government that is amenable to Syria's wishes. The Syrian troops also are used to ensure relative stability in the region and increase Syria's leverage over Lebanese politics by enhancing Syria's control over the Lebanese militias and, to a lesser degree, the Muslim elements of the Lebanese armed forces. President Assad uses Syria's military presence to influence and, when necessary, dictate Lebanese policy. ~~troops~~

b(3)



b(1) b(3)

Beyond protecting Syria's strategic interests in Lebanon, Syrian forces support tactical goals, in our view.



b(1) b(3)

Problems at the Front

Sagging Morale. ~~Syrian troops~~ the morale of Syrian forces in Lebanon is low mainly due

b3

b(3)

Secret

~~Secret~~

b(1) b(3)
to prolonged deployments and poor living conditions. Most of the troops have been in Lebanon for over two years even though they are supposed to rotate out every six months. Morale is further eroded by poor living conditions. [REDACTED]

b(3)
[REDACTED] the troops are poorly fed, clothed, and sheltered. Junior officers have complained that senior officers are aware of these problems but are unwilling to address them. [REDACTED]

b(3)
Combat Readiness Degraded. The combat readiness of Syrian forces in Lebanon has been adversely affected by prolonged deployments and the maintenance of a constant high alert. [REDACTED]

b(3)
[REDACTED] normal training standards are not being met. [REDACTED]

b(3)
b1/b3
[REDACTED]

Outlook

b(3)
In the near term Syria will maintain its military presence in Lebanon to support the Hawari government and to keep pressure on Awn. President Assad probably will not commit Syrian troops to remove Awn as long as the Christian infighting drags on, preferring to let Awn and Lebanese Forces militia chief Samir Jaja weaken each other. Syrian troops, in accordance with the At Ta'if accord, could help Harawi extend his control over Lebanese territory if the Awn situation is resolved. Damascus probably would then withdraw a significant number of troops, particularly from the Beirut area, to the Bekaa Valley. [REDACTED]

b(3)
The morale and combat readiness of Syrian troops in Lebanon will continue to deteriorate without [REDACTED]

The At Ta'if Accord

The Lebanese parliament approved a national reconciliation agreement last October in At Ta'if, Saudi Arabia, that calls for the election of a new president and for the central government to extend its sovereignty over all Lebanese territory using Lebanese internal security and military forces. The accord stipulates that Syrian forces in Lebanon will assist in the process. The Lebanese Government will assume the security duties now carried out by Syrians following the consolidation of its internal security and armed forces. This process is to be completed within two years of the agreement's ratification, after which Damascus and Beirut are to discuss the redeployment of Syrian troops to the Bekaa Valley and their relationship with the Lebanese Government. [REDACTED]

remedial action by Damascus. If Damascus hopes to redress these problems, it will have to implement regular troop rotations and provide better logistic support. Syria is unlikely to implement such relatively expensive measures because of its poor economic situation. [REDACTED]

In the long term, Syria probably believes it has no choice but to occupy portions of Lebanon permanently to protect its security interests, particularly against the Israeli military threat. The Syrians probably would consider withdrawing completely from Lebanon only if an agreement were reached with Tel Aviv that guarantees the simultaneous withdrawal of Israeli forces from southern Lebanon and if a subservient government is established in Beirut. Even then, Damascus's concern over Hizballah's military capabilities would tempt it to maintain forces in eastern Lebanon to prevent the emergence of a strong, uncontrolled pro-Iranian presence there. [REDACTED]

~~Secret~~

1
Secret

Lebanon: The At Ta'if Process – Not Lively, but Not Dead

b (3)

b (3)
The national reconciliation agreement negotiated in At Ta'if, Saudi Arabia, has become an important factor in Lebanese politics. Although the prospects for political reform in Lebanon are not promising, the At Ta'if accord has proven surprisingly resilient, and rumors of its death are exaggerated.

b3
If the first step toward political reform is psychological conversion, the end of Lebanon's civil war may have begun when Christian and Muslim legislators opened their dialogue in Saudi Arabia. The political message of the At Ta'if accord is that a substantial proportion – if not a majority – of Lebanon's Christians are willing to share power with their Muslim counterparts within the framework of a unified Lebanese state and that important Arab states are willing to support the process of national reconciliation. The Christian decision to negotiate those arrangements and the Muslim decision to make accommodations for the sake of political amity together were a decision to create a new political order.

Background

b (3)
The negotiations in At Ta'if – with some assistance from Saudi Arabia – represented the efforts of the Lebanese political establishment to orchestrate an orderly process of political reform. Since the Lebanese civil war has been a dispute over sharing political power, At Ta'if represented the potential end of the civil war. The negotiations at At Ta'if and the accord, however, were desperate acts. There had been no president of Lebanon since the end of Amin Gemayel's term in September 1988, and Interim Prime Minister Michel Awn, appointed to facilitate the election of Gemayel's successor, was obstructing the process he was charged with carrying out. The political system teetered near collapse as the Lebanese despaired of solving their problems alone.

b (3)
The Arab League repeatedly attempted to find a solution to Lebanon's misery. The vituperative Casablanca summit meeting in May 1989 – at which Iraqi President Saddam Husayn stormed out of the

proceedings – appeared to galvanize Saudi King Fahd to sponsor yet another effort to reconcile Lebanon's Muslims and Christians. On 30 September 1989, Lebanon's 73 surviving legislators met in At Ta'if, where they negotiated a compromise that was to be the cornerstone for national political reconstruction.

b (3)

The Process

Speaker of the Lebanese parliament Husayni and Phalange Party leader Sadah were the main Lebanese actors during the deliberations. Each participated on behalf of his own sect, representing Lebanon's major confessional groups – Shia and Christian. Despite the widely held perception that merely holding a conference among Lebanon's legislators was enough of a success, King Fahd and the Saudis apparently invested considerable prestige in pushing for meaningful results, in our judgment.

b (3)

b (3)

b1, b3

b (3)

In our view, there was real give and take – as well as cooperation – between the Muslim and Christian camps throughout the At Ta'if conference. During the first week of the talks, Husayni and Maronite Patriarch Sfayr announced a plan for political reform that they intended to present if the talks bogged down, preempting the widely anticipated deadlock over the thorny issues of Lebanese politics. Druze legislators called for the end of all Christian political privileges and no Syrian withdrawal from Lebanon. Militia leaders Junblatt and Barri criticized the talks for not going far enough. Junblatt would not accept the outcome of the talks unless more radical reforms, such as restructuring the

b3

b (3)

b (3) Army and drastically weakening the presidency, were implemented.

The Christians had demands of their own. Phalange chief Sadah, unofficial leader of the Christian delegation, asserted there could be no accord on political reform without a corresponding agreement on Syrian withdrawal from Lebanese soil. Roughly three weeks into the deliberations, Sadah left the talks to protest what he regarded as escalating Muslim demands in response to the Christian position on Syrian withdrawal.

b (3) The Saudis stepped in to break the impasse. Saudi Foreign Minister Sa'ud met with Syrian President Assad, and Assad agreed to Lebanese Government supervision of Syrian forces while they withdrew to the Bekaa Valley. The two also agreed on redeployment sites for the Syrian forces. Sadah rejoined the fold, and the legislators overwhelmingly approved the agreement, paving the way for the election of President Muawad last November and the reconstitution of a central governing authority.

b (3) The Outcome: Big Plusses, Big Minuses
The talks produced an agreement that provided for a relatively small reduction in the powers of the presidency, evenly divided the seats in the unicameral legislature between Muslims and Christians, called for the phased withdrawal of Syrian forces, and provided a blueprint by which the Army could be unified and Lebanon's sectarian militias disbanded and disarmed.

b (3) Lebanon's Muslims rejoiced at first, but they had regrets in the morning. Since most demographic estimates indicate the Muslims are a majority of the population, splitting the seats in the legislature evenly with the outnumbered Christians was a bitter compromise. Junblatt and the Druze publicly voiced their concern that the Druze community—which comprises about 7 percent of the country's population—would have its political clout diluted in a legislature so divided. Nabih Barri, pro-Syrian leader of the Shia Amal militia, made generally vague but supportive statements concerning At Ta'if.

b (3) Hizballah clearly signaled its displeasure with the At Ta'if accord. In our view, the murder of a Saudi

diplomat in West Beirut in early November and the claim of responsibility by Islamic Jihad, accompanied by a photograph of a US hostage, was intended to convey the fundamentalists' opposition to both renewed Saudi involvement in Lebanese politics and the agreement itself.

Michel Awn's opposition to the At Ta'if accord is the backbone of his political appeal. Even though At Ta'if gives the Christians more representation in the legislature than their share of the population would warrant, Awn claimed that, since the accord does not satisfactorily guarantee the withdrawal of Syrian forces, it is unacceptable. Moreover, Awn argued that, since he had dissolved the parliament before Muawad was elected President, the election and the resolution of the 1988 electoral crisis were nullified.

Recent clashes between Awn's forces and the Christian Lebanese Forces militia in East Beirut raise doubts about the efficacy of Awn's obstructionism. If the trends observed in mid-March 1990 hold, Awn will be unable to remove the militia as a political force. It is conceivable Awn may modify his position on the At Ta'if accord in the course of negotiations aimed at reducing the level of violence in the Christian enclave.

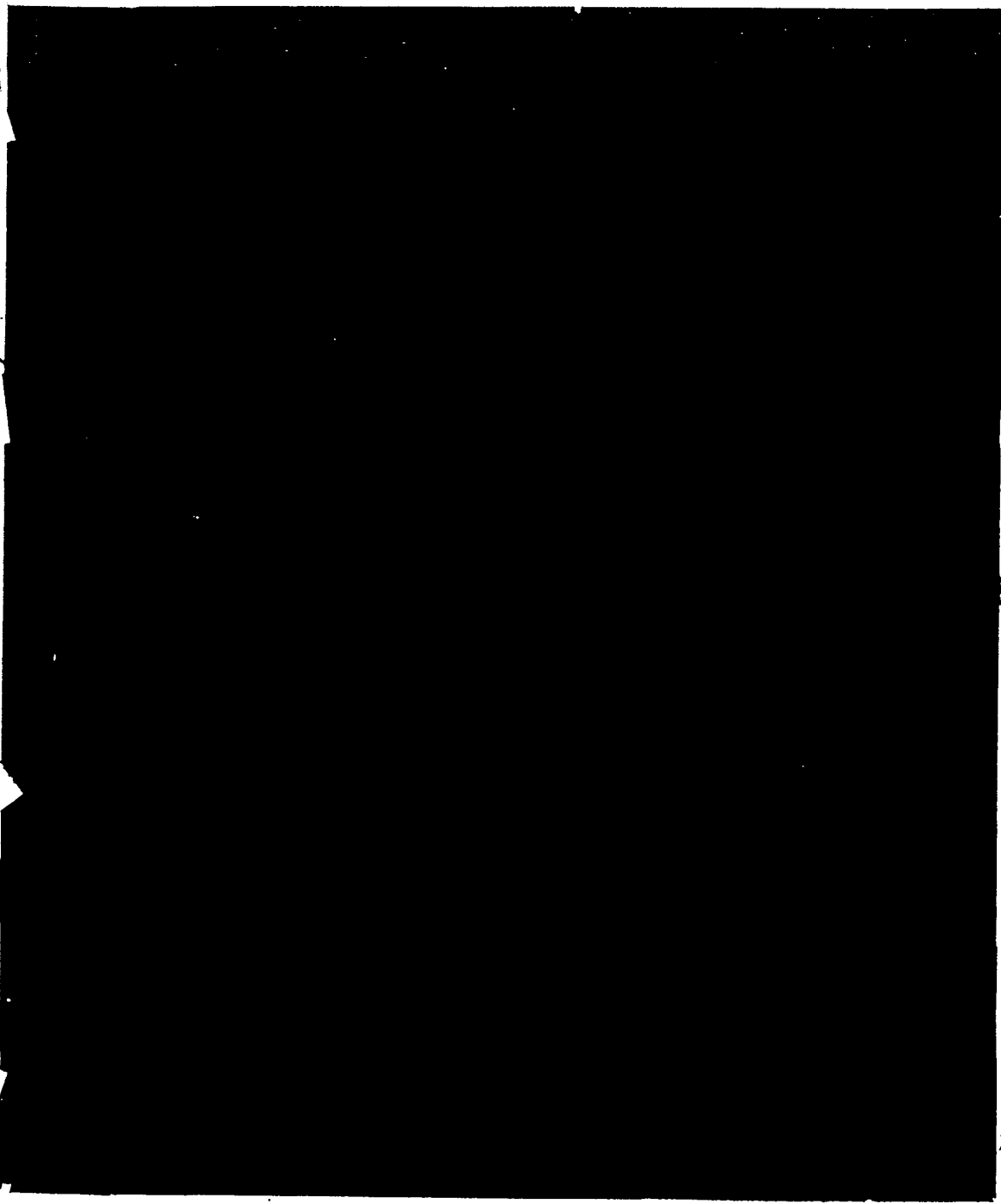
Syrian Attitudes Toward At Ta'if

For Damascus, the At Ta'if accord represents a step toward its goal of a unified, pro-Syrian Lebanese government strong enough to stand up to Israel but pliant to Syrian wishes. The accord also provides a reprieve from Arab and international criticism of Syria's apparent inability to resolve the conflict in Lebanon despite its prolonged military involvement. Growing doubt over future levels of support from the Soviet Union and economic problems have compounded Damascus's perceptions of isolation and weakness, forcing a reassessment of relations with the Arab world.

Damascus almost certainly believes that promoting the At Ta'if process will improve relations with the Arab states.

Although the accord probably does not promote Muslim political interests to the degree the Syrians

~~Secret~~



B1, B3

~~Secret~~

6 April 1990

b (3)

~~Secret~~

**Lebanese Actor's Positions on Reform Issues
Before Ta'if/After Ta'if**

	Awn	Christian Hardliners - LF	Druze	Sunni	Amal	Hizballeh
Syria withdrawing two years after reform	Much sooner	Much sooner	For	For	Probably against	Secretly for
Modifying national pact	For	Against/For	For	For	For	For
Disbanding militias	For	Against/Maybe	Against/Maybe against	For	Probably for	Probably for
Israel withdrawing	For/Maybe	Probably for/Maybe	For	For	For	For
Increasing power of National Assembly	For/Maybe-against	Against/For-maybe	For	For	For	For
Reapportioning and expanding National Assembly	For/Maybe-against	Against/For	For	For	For	For
Reunifying Army	For	Against/For	Against	For	Probably for	For

b (3)

would prefer, it enables Damascus to put off the question of Syrian troop withdrawals while portraying itself as the champion of peace in Lebanon. If the At Ta'if process progresses, Syria eventually will have to honor its commitment to withdraw troops to the Bekaa Valley and ultimately pull out its forces entirely. Because Damascus regards the presence of Israeli and pro-Israeli forces in southern Lebanon as a threat to its security, it will be loath to withdraw its troops entirely from Lebanon without a simultaneous Israeli withdrawal. If At Ta'if fails or languishes, Assad will consider his previous commitments concerning troop withdrawals null and void.

b (3)

The View From Baghdad

In Iraq's eyes, the At Ta'if agreement is seriously flawed because it lacks a written guarantee of Syria's withdrawal from Lebanon — a major Iraqi foreign policy objective. The Iraqis view Lebanon largely through the prism of seeking revenge for Syria's

support for Iran and Iraqi Kurdish rebels during the Iran-Iraq war. Despite limited military, financial, and political support for their anti-Syrian Christian allies, Awn and Jaja, the Iraqis are frustrated by Syria's continuing occupation of Lebanon.

b (3)

Baghdad has not endorsed the At Ta'if agreement but has grudgingly agreed not to oppose it and has discontinued financial and military support to Awn. Baghdad wishes to avoid being viewed by its allies, particularly Saudi Arabia, Jordan, and Egypt, as the spoiler of the fragile Lebanese agreement.

b (3)

We believe Baghdad is biding its time in the hope that some event in Lebanon will undermine foreign support for the agreement or for Syria's predominant position there. The Iraqis apparently have temporarily shelved efforts to bolster their Christian and Palestinian allies and enhance their own influence in Lebanon. In our judgment, the Iraqis hope to

~~Secret~~

~~Secret~~

b (3) create an unconventional military option in Lebanon and possibly Syria to deter Syrian actions against their Lebanese and Palestinian allies. ~~(S)~~

Prospects for Reform

The assassination of President Muawad underscores the difficulty political reform faces in Lebanon. Several Lebanese and non-Lebanese groups are capable of carrying out acts of violence and political obstruction that can paralyze the political process. Muawad's death, however, was followed by the swift election of Ilyas Harawi as his successor, and the reform process moved forward. Despite continuing opposition, the At Ta'if accord remains the center of political discussion and the issue around which Lebanese politicians array themselves. ~~(S)~~

b3 We believe the consensus forged in At Ta'if, now represented by President Harawi, is a new factor in Lebanese politics. For example, ~~(S)~~ Hizballah leaders counseled Iran to meet publicly with members of Harawi's government as an informal sign of recognition. We believe even the Lebanese factions that oppose national reconciliation may alter their positions concerning At Ta'if, particularly if Lebanon's

strongest advocate of an Islamic republic can accommodate itself to the At Ta'if process. ~~(S)~~

Nevertheless, the rapid reconstitution of a central government under Harawi, the political shifts of some factions, and the resiliency of the At Ta'if consensus do not imply the reform process will avoid daunting challenges. ~~(S)~~

Implications for the United States

There was a glimmer of hope that Washington would contribute to Lebanon's resuscitation after the At Ta'if conference. The discreet support Washington provided the At Ta'if negotiations almost certainly helped broaden the basis for political accommodation among Lebanese groups. We believe Washington's low-key approaches to key participants boosted the chance that the At Ta'if accord would resolve the electoral impasse, begin a new national reconciliation process, and institutionalize political reform. ~~(S)~~

Increased US involvement, however, might jeopardize gains the Lebanese have made by providing an emotionally charged focus of activity for a varied group of anti-US players: Hizballah, extremist Christians, and the supporters of Michel Awn. ~~(S)~~

b (3)

b (3)

b (3)

~~Secret~~

b (3)

Sudan: Implications of an Islamic Fundamentalist Government

Sudan's military government – the Revolutionary Command Council – is heavily influenced by Islamic fundamentalists who favor extending Islamic law throughout the country and at a minimum are committed to implementing it in the north. The regime also is trying to marginalize Sudan's two major nonfundamentalist political parties. It has delegated authority to the National Islamic Front, whose members share this goal as well as the council's commitment to a society based on Islamic law. The regime's determination to retain Islamic law – especially former President Nimeiri's controversial criminal provisions – will impede its efforts to end the civil war in the south. The council's links to the National Islamic Front also estrange the nonfundamentalist parties and much of the military, undermining Sudan's stability.

b (3)

Islam and Revolutionary Command Council Dynamics

Islamic fundamentalists heavily influence the 15-member Revolutionary Command Council, which seized power last June.¹ We believe Chairman Umar al-Bashir is a devout Muslim, but he governs pragmatically. Bashir must govern by consensus and has felt increasingly compelled to compromise with the more militant Muslims on the council. Hardliners led by Deputy Chairman al-Zubayr Muhammad Salih advocate governing Sudan under Islamic law.

b (3)

b (1) b (3)

¹ Former President Nimeiri included members of the National Islamic Front in his government in the early 1980s and decreed an Islamic legal system. We believe these steps were short-term expedients intended to bolster his slipping hold on power rather than to create a fundamentalist state.

b (3)

b (3)

Holding the Line on Islamic Law

The Revolutionary Command Council has signaled its commitment to an Islamic state by rejecting demands by southern insurgents to repeal Islamic law, including former President Nimeiri's 1983 decree implementing Islamic criminal penalties.² Shortly after Bashir took power, he repudiated a peace initiative negotiated in November 1988 by the Democratic Unionist Party and the southern insurgents that proposed freezing application of Islamic law until a constitutional conference decided its status. The council has continued a freeze on carrying out corporal and capital sentences imposed after Nimeiri's ouster in 1985. The government also commuted to imprisonment or fines sentences of defendants affected by the freeze.

b (3)

b (3)

We do not believe the decision to commute corporal and capital punishments signals an intention to abandon Islamic Law. Requirements that such sentences be quickly carried out mandated the commutations. Criminal trials continue to be conducted under Islamic law.

b (3)

We doubt the regime will make concessions on this issue beyond those its National Dialogue Conference on Peace proposed last fall. The conference proposals would allow regions with a non-Muslim majority to repeal Islamic law but would not exempt religious minorities who live in Muslim majority areas such as Khartoum. The delegates proposed:

- The federal assembly pass criminal and civil laws after considering regional religions and customs.

² Before September 1983, Sudanese courts applied Islamic Law to a narrow range of civil lawsuits – marriage, divorce, child custody, and inheritance – involving Muslims. Nimeiri's "September laws" replaced Sudan's Western-derived criminal code with Islamic punishments including amputation, hanging, and beheading for a wide range of crimes. Nimeiri's reforms also scrapped Sudan's Western commercial law system.

b (3)

b (3)

- The regional assemblies exempt residents from "purely religious" laws. The delegates did not say if non-Muslims could be exempted from Islamic criminal laws.
- A couple's religion or custom govern marriage, divorce, adoption, and inheritance.

b1, b3
b(3)
[REDACTED] Islamic law must be enshrined in the constitution, and he predicted civil war in the north if the Revolutionary Command Council froze or repealed it. We believe Bashir fears hardliners on the council would depose him if he abandoned Islamic law.

Hostility to Sudan's Sectarian Parties

b(3)
The Revolutionary Command Council is trying to dismantle the nonfundamentalist Umma and Democratic Unionist parties, which ran Sudan during its eras of civilian rule. Party members who are willing to cooperate with the regime could join a nonpartisan "popular front" that Sudan's new Ambassador to the United States says would replace Sudan's previous multiparty system.

b(3)
We believe hostility in the Revolutionary Command Council to the Umma and the Democratic Unionist Party is heightened because they arose from Islamic sects — the Ansar and Khatmiyyah — whose heads exploited their status as religious leaders to gain power but operated their parties as competing family patronage networks. [REDACTED] both parties valued power over ideology. In speeches justifying the coup Bashir has repeatedly cited Umma and Democratic Unionist leaders' political opportunism to accuse them of betraying Sudan's Islamic heritage. He charges they divided Sudan's Muslim majority by promoting the un-Islamic concept of "political sectarianism," used Islamic law as a bargaining chip, and encouraged corruption. [REDACTED]

b(3)
b(1) b(3)
[REDACTED]

Working With the National Islamic Front

The Revolutionary Command Council has delegated authority to members of the banned National Islamic Front — Sudan's strongest fundamentalist movement. [REDACTED] we speculate that the council seeks to recruit front members rather than share power with the front. We believe many in the council share with the front a similar vision of an Islamic Sudan. Front leaders, unlike their rivals, have sought power primarily to turn Sudan into an Islamic state, in our judgment. [REDACTED] the front views Islam as the key to rehabilitating Sudan politically, economically, and socially and rejects restrictions on Islamic law for Sudan's Muslim majority. Bashir and other council members have expressed similar sentiments in speeches and interviews. [REDACTED]

[REDACTED]

[REDACTED]

b(1) b(3)

b(3)

b(3)

b(1) b(3)

b(1) b(3)

b (1) b (3)

[REDACTED]

reforms. [REDACTED] even those southerners who distrust Garang fear a fundamentalist government in Khartoum will persist in imposing Islamic culture and religion on them.

b (3)

b (3)

Outlook: Fundamentalism Increasing Regime Instability

Regime cooperation with the National Islamic Front has weakened the Umma and Democratic Unionist parties and alienated their leaders.

Islamic Law Undercuts Regime Peace Efforts

b (1) b (3)

[REDACTED]

b (1) b (3)

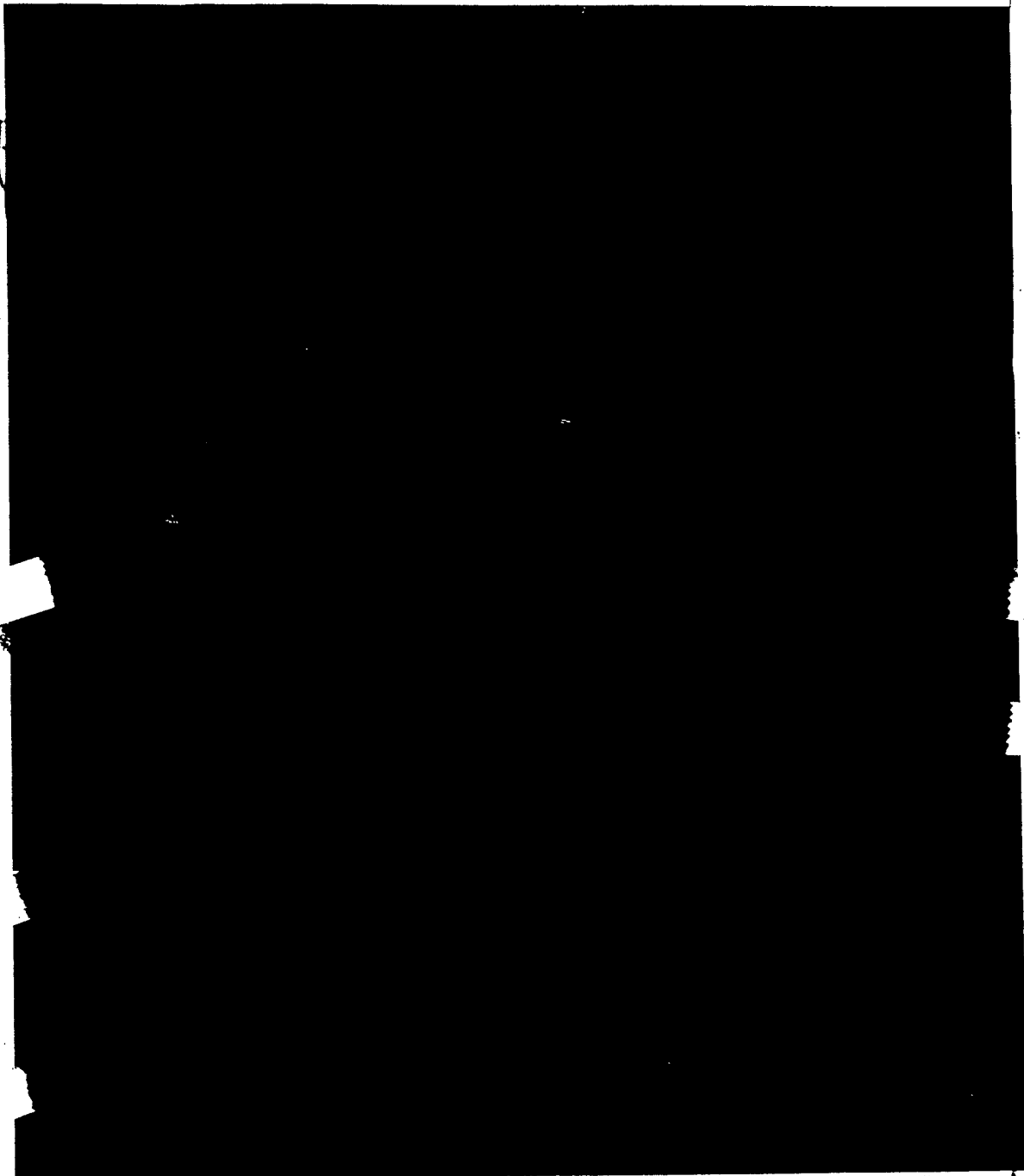
b (1) b (3)

We judge Garang also believes he can exploit the government's ties to the National Islamic Front to increase his strength in the south. Many southerners believe the front masterminded Nimciri's Islamic legal

b (1) b (3)

b (3)

~~Secret~~



b (1) b (3)

b (1) b (3)

~~Secret~~

6 April 1990

b (3)

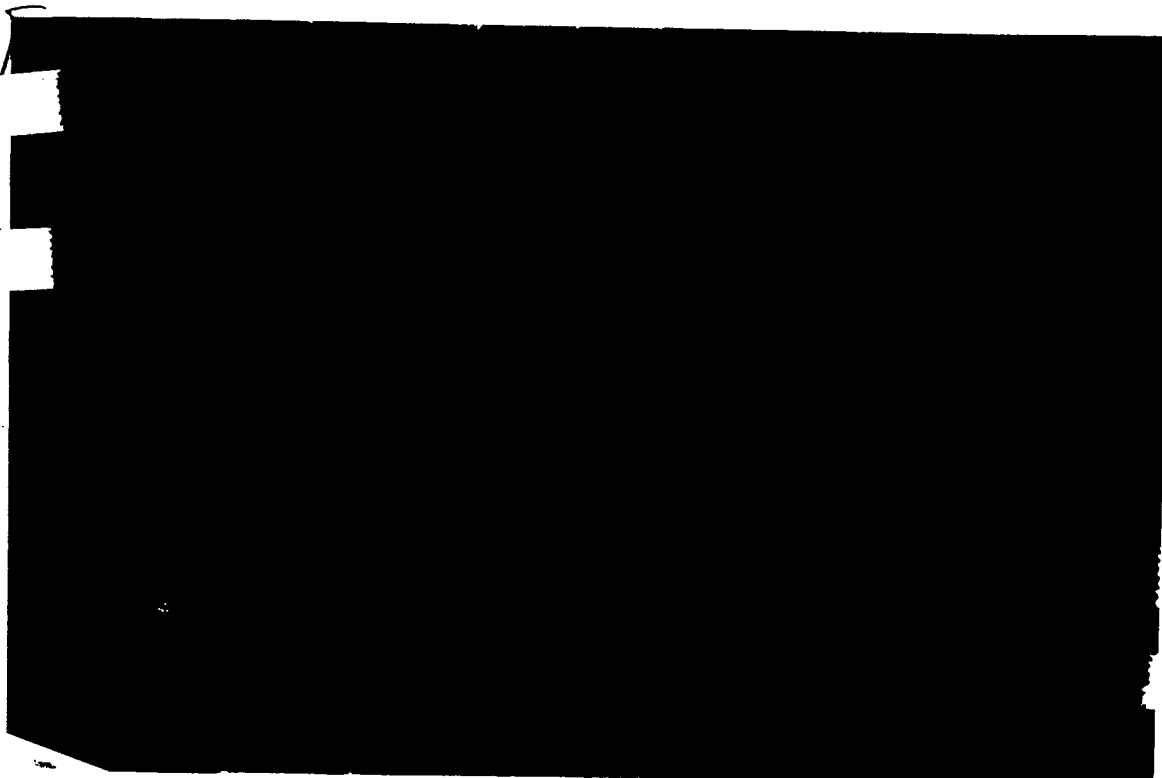
~~Secret~~

b (1) b (3)

~~Secret~~

b1, b3

~~Secret~~



b1, b3

Reverse Blank

~~Secret~~

Secret

b1, b3

Secret

6 April 1990

b (3)

~~Secret~~

b (1) b (3)

~~Secret~~

Secret

b(1) b(3)

b1,
b3

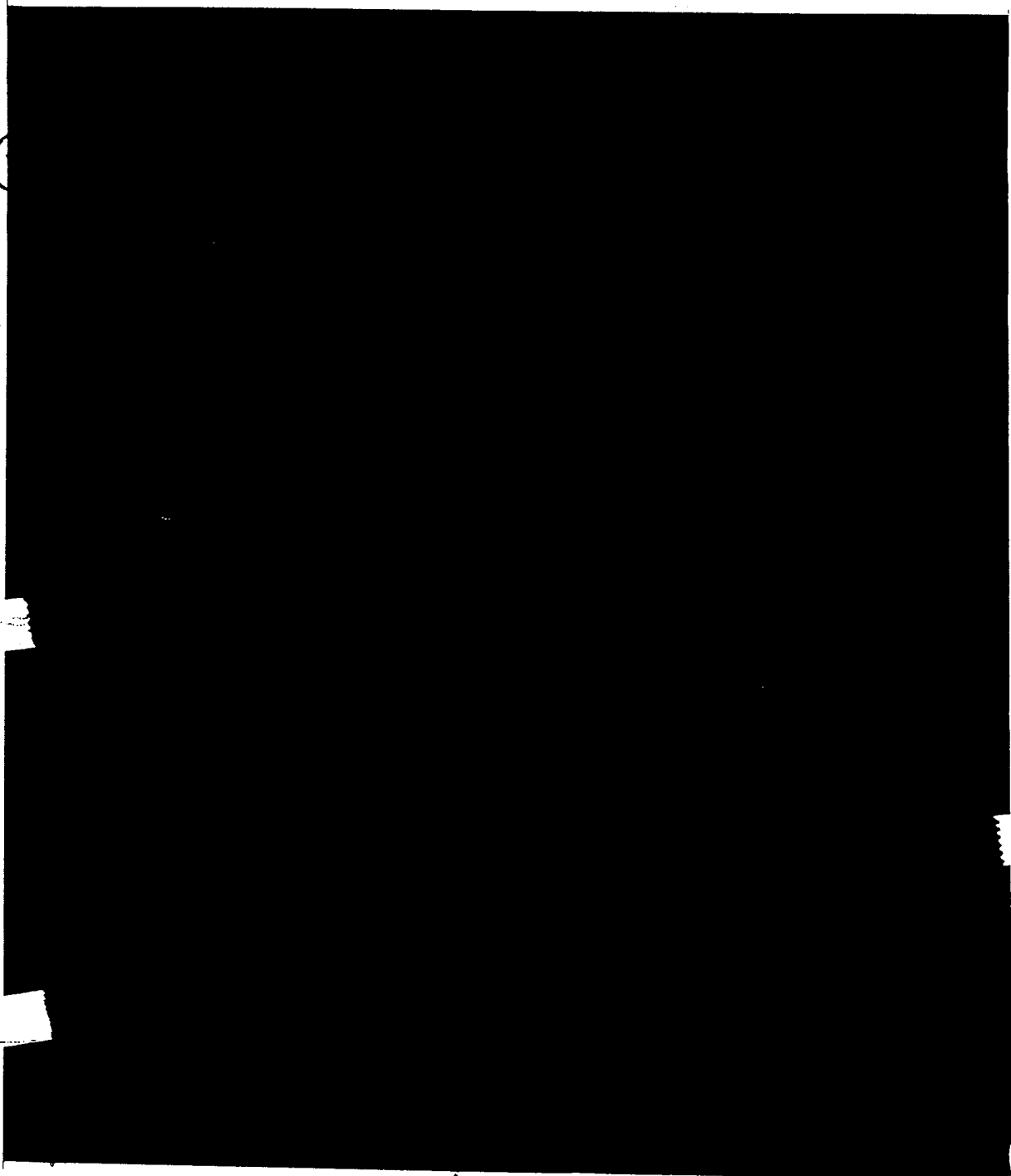
b

Reverend Clark

43

Secret

Secret



b(1) b(3)

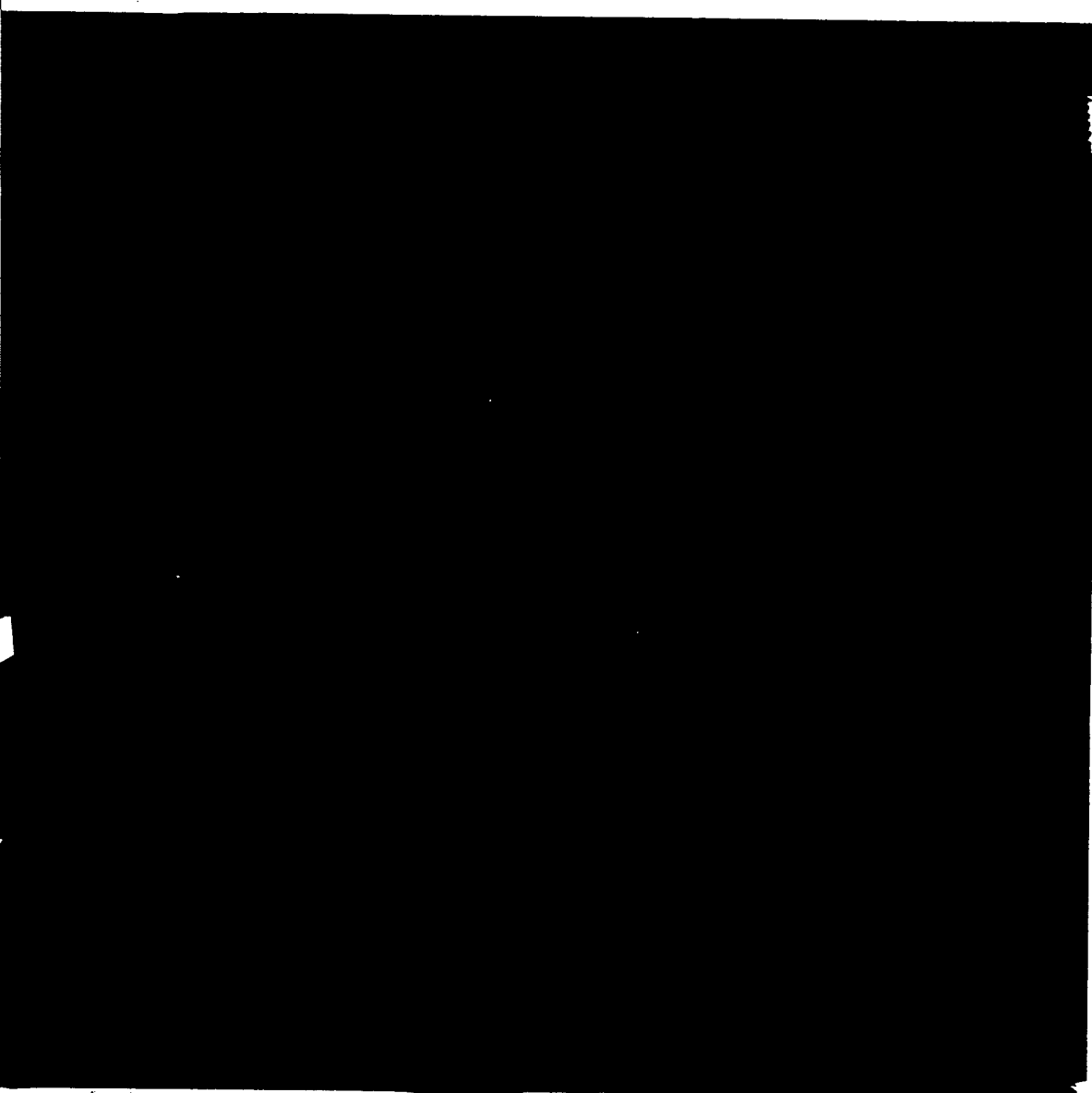
Secret

6 April 1990

b(3)

~~Secret~~

b (1) b (3)



b (1) b (3)

~~Secret~~

~~Secret~~

Iran: Internal Developments and Opposition Prospects

b (3)

The Iranian regime remains deeply divided over the fundamental course it is to pursue in the post-Khomeini era. President Hashemi-Rafsanjani, with support at critical times from Supreme Leader Ayatollah Khamenei, has made progress in consolidating his hold over executive institutions and is gradually redefining Iranian policy. Rafsanjani must move cautiously, however, in the face of resistance to his policies by his more militant opponents— notably Assembly Deputy Mohtashemi-Pur and the late Ayatollah Khomeini's son Ahmad. This factional infighting is carried on against a backdrop of deteriorating economic conditions. Although we do not believe the clerical regime is in danger, the lack of consensus among its members and the decline in living standards will give increased scope for antiregime actions by Iranian dissident groups.

b (3)

Rafsanjani's Progress

Rafsanjani has been most successful in advancing his domestic agenda. Since his inauguration as President, he has scored two important victories over hardline opposition in the Consultative Assembly—the confirmation of his Cabinet in August and the passage of his five-year economic plan in January. Confirmation of the Cabinet gave Rafsanjani a team with which to implement his policies and allowed him to remove potential rivals like Mohtashemi-Pur from an executive position. The five-year plan allows Rafsanjani to begin moving Iran away from the statist economic policies of the past decade toward a more liberal market system. It also sanctions the acceptance of large foreign loans for economic development despite intense opposition from Iranian revolutionaries concerned about foreign penetration of Iran. Even with this authorization, Rafsanjani has been at pains to portray such credits not as loans, but as part of the price of purchasing new technology.

b (3)

These victories did not come cheaply. In both instances Rafsanjani required the open and unequivocal support of Khamenei to help overcome opposition in the Consultative Assembly. Although

this intervention demonstrates the power of the loose alliance between the two men, it illustrates Rafsanjani's dependence on Khamenei's support to carry out key aspects of his program. In January, when Khamenei strongly censured the Assembly for its criticism of the government, Khamenei probably bruised the egos of many legislators who believed the Assembly was exercising its constitutional powers. In our judgment, Khamenei may be less inclined in the future to expend his political capital on Rafsanjani's controversial programs, unless, like the five-year plan, they provide a clear benefit to the country and radical opposition can be overcome.

b (3)

In the sphere of foreign relations Rafsanjani has not scored the dramatic victories he has achieved in domestic affairs. We believe this is because he does not enjoy the same support from Khamenei on foreign matters that he does in domestic policy. Khamenei's pronouncements on relations with the West, and especially the United States, have been more uncompromising and militant than Rafsanjani's. In our view, this is because of Khamenei's stronger commitment to fulfilling Khomeini's legacy, which almost certainly would suffer if he too eagerly embraced better relations with the West. The net effect is to circumscribe Rafsanjani's freedom to maneuver.

b (3)

Rafsanjani's most notable foreign relations successes have been in gradually opening relations with Western Europe, including Turkey, and building on the opening to the Soviet Union that the late Ayatollah Khomeini had sanctioned. Since fall 1989, Iran has received several West European economic and commercial delegations and obtained greater access to West European credit. Iran's relations with Turkey, which last year were especially poor as Ankara complained of Iranian interference in a domestic dispute over the wearing of Islamic dress by women college students, have also improved. This year Rafsanjani's reception of Turkish Prime Minister Akbulut was not marked by the anti-Turkish vitriol that characterized much of the Iranian press in 1989. Rafsanjani's restrained reaction to the unrest among

~~Secret~~

6 April 1990

b (3)

Secret

Muslims in Soviet Azerbaijan and Central Asia – Tehran officially only “regretted” Soviet actions there – prevented a serious strain in Tehran’s relations with Moscow.

Nonetheless, domestic politics place severe limits on Rafsanjani’s ability to deemphasize revolutionary principles in the most critical aspects of Iranian foreign policy. Regardless of occasional trial balloons floated in the pro-Rafsanjani press or by his supporters in the Consultative Assembly, Rafsanjani has been unable or unwilling to expend the political capital necessary to overcome the bitter opposition to better relations with the United Kingdom and United States or to make significant progress toward facilitating the release of Western hostages in Lebanon. The regime’s unwillingness to modify Khomeini’s authorization for the killing of Salman Rushdie represents a serious drag on Rafsanjani’s ability to obtain the relations he desires with the European Community (EC), as does Iran’s continued use of terrorism as an arm of state policy.

Challenges to Khamenei’s Leadership

The regime is also faced with a potentially serious challenge to the religious legitimacy of its current leadership.

Since late last year, there has been a subtle but steady questioning of Khamenei’s authority as supreme jurisconsult. If the criticism is sustained, this would erode Khamenei’s authority, limiting his ability to keep factionalism in check and support Rafsanjani.

The questioning first surfaced in the attacks by the Consultative Assembly against Foreign Minister Velayati for allowing Romanian President Ceausescu to visit Tehran three days before his ouster. Although

aimed at Velayati – who is considered a protégé of the supreme leader – the criticism implicitly questioned Khamenei’s judgment because Khamenei, when he was President, had issued the original invitation to Ceausescu in February 1989. Khamenei’s initial appeal in late December for the Assembly to end its attack on Velayati went unheeded, forcing him to mobilize support for his position. For example, merchants closed the Tehran bazaar on 1 January in an explicit show of support for Khamenei. On 8 January, Khamenei declared that criticism that undermined trust in the government was un-Islamic and demanded obedience to his position as supreme jurisconsult. The assembly backed down grudgingly but reminded Khamenei in an open letter that the deputies were exercising their constitutional prerogatives.

In January, Ayatollah Montazeri, who until March 1989 had been designated successor to Khomeini, spoke out against the government.

Montazeri publicly questioned Khamenei’s religious qualifications to be supreme jurisconsult.

Montazeri also attacked the government for its plans to undertake foreign borrowing.

In late February, Ayatollah Azari-Qomi-Bigdeli, a Khamenei partisan, went on the offensive, asserting Khamenei’s right as supreme jurisconsult to be the final and absolute arbiter of Iranian policy. Assembly Speaker Karubi, reflecting a more radical view, responded a few days later by declaring the question was not Khamenei’s authority but whether Iran would continue to be guided by the principles laid down by Khomeini. The acrimony has continued through late March in which Azari-Qomi and Karubi have accused each other of following “American” Islam.

Secret

The militant elements in Iran have been careful not to challenge Khamenei directly, but they clearly are warning they may not accept Khamenei's authority if he diverges greatly from Khomeini's legacy. At a minimum, this may make Khamenei more careful about openly supporting Rafsanjani on controversial issues.

b (1) b (3)

[REDACTED]

At worst, criticism of Khamenei's authority could lead eventually to a real erosion of his authority, which we believe would increase the factional infighting and deadlock over policy in Tehran.

b (3)

Economic Threats to Stability

The policy debate within the clerical establishment has occurred against a darkening economic backdrop. Iran failed to maintain its economic base during the first decade following the revolution, resulting in potentially destabilizing domestic pressures. Falling oil revenues, the financial demands of the Iran-Iraq war, and political opposition to large foreign loans forced the regime to slash civilian spending. Tehran also had to cut imports of both consumer goods and raw materials, fueling inflation — roughly 80 percent, according to our estimates — and black-market activity.

b (3)

Rampant population growth also is seriously damaging economic prospects. Iran's population grew 40 percent between 1979 and 1989, aggravating unemployment — currently at about 30 percent — and severe housing shortages. Iran's 3.2 percent annual population growth rate is among the world's highest and, if unchecked, will double Iran's estimated population of 55 million by the year 2011. To keep up with the burgeoning population, Iran will have to create at least 600,000 new jobs each year for an indefinite period. It will also face a growing dependence on imported food, the cost of which equals about 20 percent of Iran's export earnings, and continued deterioration of the country's educational, health care, transportation, and electrical power systems as greater demands are placed on them.

b (3)

In our judgment, Rafsanjani will not be able to reinvigorate Iran's economy quickly enough to satisfy rising public expectations. Hardliners such as Mohtashemi-Pur oppose many elements of the five-Year plan, particularly foreign borrowing and decreasing government control over the economy. Most foreign governments and firms — as well as domestic investors — will be reluctant to risk investing substantial amounts of capital in Iran until they see clear signs of political stability there.

b (3)

Iranian businessmen are pessimistic about Iran's economic prospects despite Rafsanjani's efforts at reform. Rafsanjani probably will have to water down some elements of the plan, such as reducing government spending, to ease the impact on the public and to limit opposition to the plan by the regime's critics. This will in turn reduce the effectiveness of Rafsanjani's policies.

b (3)

Public frustration over poor living conditions has led to sporadic rioting since August. These have largely been spontaneous, easily contained by security forces, and usually directed against merchants, profiteers, or local authorities rather than the national leadership.

[REDACTED]

b (1) b (3)

Prospects for the Iranian Opposition

The Iranian opposition in exile has proven skillful at embarrassing the regime by exploiting its difficulties and at inflating the public image of the exiles. Nonetheless, we believe the leftist and monarchist groups — largely based outside Iran — have no substantial following in Iran and constitute an irritant, not a threat, to the regime.

b (3)

The riots of 16-17 February are the most recent example of the capabilities — and limits — of the exiles' influence. On 16 February a riot broke out when authorities in Tehran canceled a soccer match at the last minute, and angry fans went on a rampage. Rioters tore down posters of Iranian political leaders and chanted anti-regime slogans. Tehran claims the match was

b (3)

~~Secret~~

anceled due to weather. In our judgment, Iranian officials may have gotten wind of exile plans to exploit the assembled crowd to provoke a protest. The exile media reacted quickly and effectively in reporting the riot, portraying it as the first spark of an anticlerical revolution and urging the Iranian people to rise up.

transition to a post-Khomeini government. Although the government may be secure, individual leaders undoubtedly remember the widespread and deadly terror campaign the Mojahedin-e Khalq conducted in 1980-81, which eliminated many of Iran's leading revolutionaries. The potential – albeit slim – for a renewal of exile activities is probably a concern to those in power and will ensure their continued – if inflated – worry about dissident capabilities.

Outlook

Iran is not likely to resolve its internal divisions in the next six to 12 months. Although we do not believe any faction is so alienated that it would seek to overturn the system – whenever the debate over policy gets especially heated, clerical associations and the press begin to call for unity – the infighting will probably be protracted. As a consequence, Iranian policy is likely to be erratic, reflecting the shifting balance between domestic factions.

We believe Rafsanjani has the advantage over his radical opponents in the struggle to shape Iranian policy by virtue of his control of executive institutions, his loose alliance with Khamenei, and the increasing weariness of the Iranian people with revolutionary exhortations for sustained fervor and sacrifice. Rafsanjani's advantage, however, is not so great that he can rule by fiat. He must build a consensus before he can make major changes. As this consensus probably will remain elusive, Rafsanjani is likely to continue pursuing incremental change, rather than striking out boldly in new directions.

Such incrementalism may not be sufficient to prevent a crisis in Iran as economic conditions worsen. As the people become increasingly restless over their declining living standards, Rafsanjani may be able to use this anger to corner his opponents and more quickly redirect Iranian policy. There is a significant danger, however, that Rafsanjani will come to be associated with the deterioration of the economy, and his position will be eroded. This probably would brake efforts toward economic and social liberalization.

We are skeptical that the exile groups could exploit the infighting and economic decline to destabilize the regime. Their appeal is too faded,

We believe the Pahlavi monarchy is a deeply discredited institution in Iran, which limits the appeal of the monarchists. Even Reza Pahlavi has been forced to admit he is not so much interested in restoring the monarchy as in being a catalyst for the establishment of a democratic regime in Iran. His constituency, like that of moderate nationalists, is mainly the small and gradually dwindling class of Western-educated Iranian professionals and businessmen.

The leftists are probably in even worse shape, although Masud Rajavi's Mojahedin-e Khalq organization has the advantage of Iraqi support. The leftist groups once posed a serious threat to the regime's leadership, if not its hold on power. Since the early 1980s, the komitehs and Revolutionary Guards have ruthlessly uprooted most of the leftist networks and organizations in Iran. Moreover, with the collapse and discrediting of Communism in Eastern Europe, many of the leftists, especially the orthodox Communist Tudeh Party, have lost their ideological appeal and political moorings.

Perhaps the Iranian exiles' greatest asset is the exaggerated perception of exile capabilities held by the clerical leadership. The regime has mounted attacks on antiregime exiles in Austria, Cyprus, Turkey, the United Arab Emirates, and Pakistan since Khomeini's death, almost certainly out of fear that the exiles would exploit the instability associated with the

~~Secret~~

~~Secret~~

b (1) b (3)

[REDACTED]
The exiles' capacity to worry and embarrass the regime will continue and perhaps grow as they are presented with increasing opportunities to publicize popular discontent and clerical disunity. But real

change in Iran will have to await a resolution of the debate regarding the continued relevance of Khomeini's legacy in the Islamic republic's second decade. [REDACTED]

b (3)

b (3)

Reverse Blank

~~Secret~~

~~Secret~~

Infighting Among the Afghan Insurgents: A Status Report

The Farkhar massacre in July 1989 focused international attention on the infighting that has plagued the Afghan resistance for years. Although many observers viewed this incident with alarm, perceiving it to be a harbinger of an increasing cycle of internecine violence, we believe insurgent infighting will continue over the near term at about the same level as in previous years. Conflict probably will escalate when the Kabul regime approaches collapse.

Status of Infighting in 1989

The increase in the number of reported incidents of insurgent infighting in 1989 was due primarily to reaction to the Farkhar massacre and does not indicate an upward trend, in our view. Most of the incidents were in the northeast, but the fallout extended as far south as Lowgar province as Ahmad Shah Masood's men sought revenge against Hizbi Islami-Gulbuddin forces. Gulbuddin's forces were attempting to press Masood to release Sayyed Jamal, the insurgent commander responsible for the massacre. By late fall, the frequency of clashes had returned to levels prevailing before the Farkhar incident and did not increase after Jamal was executed in December. Although the massacre and its aftermath—one of the worst episodes of insurgent infighting in many years—represents a high point in what has historically been a cyclical phenomenon, the incident did not precipitate an increasing cycle of violence between Masood's and Gulbuddin's organizations.

The number of incidents did not increase appreciably even though power vacuums were created by the withdrawal of regime forces from many parts of the country in late 1988 and early 1989. We expected to see much more conflict as local insurgent commanders fought for control of the newly liberated areas. With major commanders like Masood, Ismail Khan in the west, and Amin Wardak in the east having begun to build administrative networks in their areas, they could assume control of the new territories relatively easily. Elsewhere, many insurgent commanders have demonstrated a lack of interest in

b (3)

The Farkhar Massacre

In July 1989 in the Farkhar Valley of Takhar province a local Hizbi Islami-Gulbuddin commander, Sayyed Jamal, captured 50 to 60 of Ahmad Shah Masood's men as they were returning from a Council of the North meeting.

Jamal executed between 20 and 35 of the men, including important commanders who were close to Masood. The rest were set free. Although he agreed to cooperate with a commission set up by the resistance "interim government" to investigate the incident, Masood quickly captured Jamal and 300 of his men, most of whom soon were released. After watching the commission procrastinate for four months, Masood arranged for Jamal and three of his lieutenants to stand trial in the traditional Afghan manner. Following a trial by 40 local religious leaders who found all four guilty, Jamal and his men were publicly executed in December.

The reasons behind the attack are unclear.

Over the long term, Masood's political and military position in the northeast probably has been strengthened by the removal of Jamal's organization and his adroit handling of the incident.

expanding their turf beyond their own districts or have formed *shuras* (councils) to improve cooperation and administration in the area. In a few liberated areas, such as Konar province, insurgent groups have held local elections to choose provincial leaders.

b (3)

b (3)

b (1) b (3)

b (3)

b (3)

b (3)

Secret

The Main Roots of Conflict

We believe most insurgent infighting is a result of a combination of local tribal, ethnic, and personal conflicts rather than major interparty rivalries. The field commanders, the real sources of power in Afghanistan, are concerned primarily with local or regional issues rather than a national struggle for predominance.

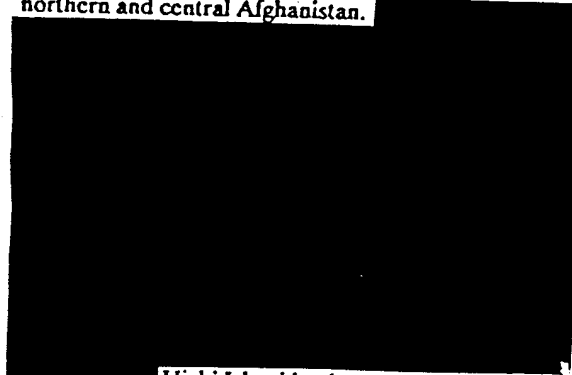
b(3)

Personal Disputes. Personal feuds between local commanders or struggles for local predominance generate a large portion of the reported insurgent conflict. In many cases such disputes are a continuation of historic rivalries that existed before the war began.



b(1) b(3)

Ethnic Tension. Longstanding ethnic tension between the predominant Pashtuns and other minority groups, especially the Tajiks and Shias, has led to conflict in northern and central Afghanistan.



b(1) b(3)

Hizbi Islami leader Yunis Khalis, the most outspoken anti-Shia resistance leader, has stated that, once the regime has been overthrown, the next war will be with the Shias.

b(3)

The Gulbuddin Factor

Superimposed on many of these disputes is the obstructionist ideology and actions of Gulbuddin Hikmatyar and his Hizbi Islami faction. Hizbi Islami is often blamed for much of the interparty conflict in the country. We believe it is involved in more incidents than any other party, but it is not always the instigator of conflict. Most of the incidents probably are caused by local issues that are made worse by Gulbuddin's radical anti-Western stance, uncompromising or confrontational attitude, and

Secret

flaming rhetoric. His determination to be the preminent insurgent leader has long led him to obstruct efforts toward greater cooperation with the other parties. [REDACTED]

b(1) b(3)

Gulbuddin's publicly proclaimed support of former regime Defense Minister Shahnawaz Tanai's coup attempt in March 1990 will put further distance between him and his faction and the rest of the resistance. The other six resistance leaders based in Peshawar rejected cooperation with Tanai, insisting he was a worse Communist than Najibullah. [REDACTED]

(1) b(3)

Gulbuddin's most intense rivalry is with Ahmad Shah Masood and his organization. Although this had been considered a rivalry between the Hizbi Islami-Gulbuddin and Jamiat-i-Islami as a whole, the conflict has evolved over the past few years into a rivalry that involves primarily Masood and Gulbuddin. [REDACTED]

b(1) b(3)

Although there is little doubt Gulbuddin orders selected attacks on other resistance parties to advance his interests, as he does against rivals in his own party, he probably does not have a consistent, concerted policy of initiating interparty conflict, even with Masood. [REDACTED]

b(1) b(3)

Masood and Gulbuddin: A Long History of Competition

The personal rivalry between Ahmad Shah Masood and Gulbuddin Hikmatyar is intense and stems from the late 1970s when both were leading members of the fundamentalist resistance movement in Afghanistan. Both had major responsibilities in the abortive uprising in 1975, and each blamed the other for contributing to its failure. Masood and Burhanuddin Rabbani split with Gulbuddin after the uprising to form their own party, the Jamiat-i-Islami. Both men, particularly Gulbuddin, probably see the other as the main rival for national predominance after the fall of the Kabul regime. Both probably recognize the other as having the strongest organizations, and each realizes the importance of organizational strength in a protracted insurgency. Gulbuddin may even see their rivalry as a struggle for the leadership of the fundamentalist wing of the resistance. [REDACTED]

b(1) b(3)

Masood has been more conciliatory but has quickly dealt with serious incidents that challenge his leadership, such as the Farkhar massacre. Each has made proposals to the other to meet and improve relations between their organizations, but no meetings have come to pass. We believe the rivalry is too strong, and Gulbuddin and Masood are unlikely to settle their differences amicably. [REDACTED]

b(3)

Gulbuddin's actions suggest he is more an opportunist than a strategist, and he appears to have no clear strategy for dealing with Masood. Gulbuddin exploits existing conflicts, rather than originating internecine feuds, which adds to the overall level of violence. [REDACTED]

b(1) b(3)

Outlook

Over the near term we expect to see periodic fluctuations in insurgent infighting, but overall it probably will remain about at current levels. Such a level of infighting has not seriously weakened the insurgent's war effort and should not in the future. Continued infighting probably will delay some insurgent operations, however, and could help

b(3)

Secret

prolong the war. Gulbuddin and his Hizbi Islami faction may suffer more attacks from other insurgent groups as a result of his support of the Tanai coup attempt. Opportunities for conflict between Masood and Gulbuddin almost certainly will continue as each expands his organization, and additional Farkhar-like incidents are possible. The rivalry is unlikely to escalate beyond minor skirmishes unless Masood becomes more of a direct threat to Gulbuddin's chances of attaining power in Kabul. (S)

b(3)

The long-term outlook is not rosy. If the Kabul regime collapses, there will be many competing groups vying for control of the Afghan capital. Conflict could break out along party, tribal, or ethnic lines as the process of choosing the next national government sorts itself out. Gulbuddin almost certainly will have a major role, either as a contender or at least a power broker. He is determined to continue fighting until he and his followers are in

leadership positions, whatever the cost.

[REDACTED]

Only limited conflict is likely to take place in areas far removed from Kabul, as demonstrated by the lack of conflict when the regime abandoned large areas of the country in 1989. The amount of conflict will, in part, be determined by the relative strength and cohesiveness of the local *shuras* and the ability of local religious leaders and tribal elders to reestablish their traditional role as the arbiters of disputes in the countryside. Internecine conflict has long been a part of Afghanistan's social and political milieu and is unlikely to disappear. (S)

[REDACTED]

b(1) b(3)

b(3)

b(3)

Secret

A Troubled Future for India's Communist Parties (C'NF)

Despite their prominence as supporters of Prime Minister V.P. Singh's coalition government, India's Communist parties have looming problems that could lead to their eclipse in national politics by centrists and the resurgent Hindu chauvinist movement. In our view, the unwillingness of the aging leaders of the Communist Party of India-Marxist (CPM) and the Communist Party of India (CPI) to adapt their hardline ideology to the sweeping changes in world Communism has played an important role in the Communists' failure to increase their political support in recent elections. Longstanding rifts between the two Communist parties have also limited their ability to gain electoral support and attract new members.

b(3)

The Communists' only stronghold is in the state of West Bengal, where the CPM leadership has embraced pragmatic policies to keep itself in power. This businesslike approach is stimulating divisions in the party apparatus that may erode its hold there.

b(3)

Election Disappointments

The Communists' poor showing in last year's national election exposed the weakness of the movement, in our view. The left's performance fell far short of its expectations. [redacted] the Communists had hoped to capitalize on the fragmentation of the ruling Congress Party to win 70 to 80 seats to form a left-of-center coalition with the Janata Dal party. The Communists, however, won 52 seats nationwide — 36 in West Bengal, where a leftist coalition has ruled for over a decade. The CPM lost two parliamentary seats in Kerala. These defeats came on the heels of losing control of the Tripura state government in late 1988.

b(3)

b(3)

An Out-of-Date Ideology

The Communists' setback stems partly from their unwillingness to alter an increasingly discredited ideology to attract voter support, in our opinion. Despite the changes in the Soviet Union and Eastern Europe, India's Communist parties continue to adhere to a hardline Marxist-Leninist philosophy.

Relations With Moscow

Ties between India's Communist parties and Moscow have cooled since Soviet leader Gorbachev called on them to follow his new thinking on Communist doctrine. Politically independent, India's Communist leaders declared they will "study" Gorbachev's reforms, but they have stuck to their hardline principles. Nevertheless, Moscow is maintaining its ties to India's Communists — they recently invited CPM General Secretary Namboodiripad to Moscow — probably because of the Communists' increased national political stature. Relations are not likely to warm as long as old-school Marxists maintain their hold over Indian Communist ideology.

b(3)

[redacted] the CPM Politburo — especially its General Secretary E.M.S. Namboodiripad — opposes Gorbachev's reforms, particularly the diminution of the role of the Communist Party and the adoption of more market-oriented economic policies. Although the CPI publicly has been more positive on the Soviet reforms, it also opposes the introduction of Soviet-style reforms in India.

b3

b(3)

We believe this hard line has cost the Communists support among key interest groups. [redacted] in western India intellectuals and journalists — traditionally leftist — were deeply disillusioned by the CPI and CPM responses to the massacre in China's Tiananmen square and the changes in Eastern Europe. In Kerala, the CPM-led Left Front's attempts to justify the Tiananmen massacre have accelerated a decline in popular support caused by their economic mismanagement.

b3

b(3)

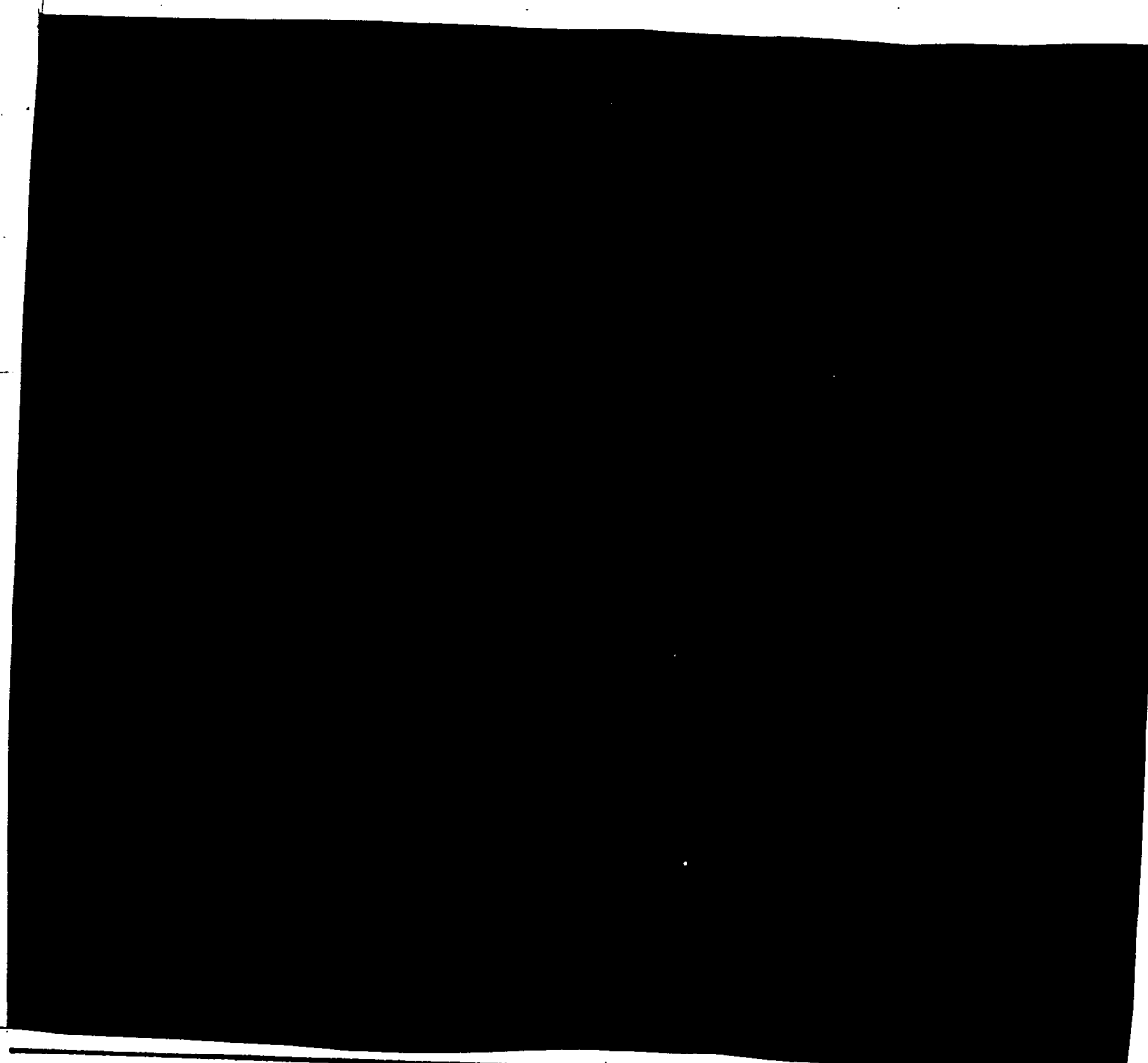
In addition, membership in the CPM and CPI appears to have stagnated. [redacted] there was considerable concern at a CPI congress in early 1989 because the party added only 15,000 members to its roster of

b(3)

b(1) b(3)

b(3) 440,000 in over two years. [REDACTED]
the CPM is also having difficulty in adding to its
ranks. Party members are key grassroots campaigners
and vote-getters for both the CPI and CPM. The
b(3) [REDACTED] membership in leftist
trade unions is stagnant, and the unions' clout is
increasingly challenged by communal – especially
Hindu – groups. [REDACTED]

The Communists' only continuing success has been in
West Bengal, where the CPM-led Left Front
government has adopted more ideologically flexible
and pragmatic positions. West Bengal Chief Minister
and CPM regional leader Jyoti Basu recently
commended the changes in Eastern Europe and
called on Indians to learn from the events there. He
also has encouraged foreign investment and
technology and the growth of the private sector in



b (1) b (3)

b (3) West Bengal, ~~Basu~~, Basu, however, appears to have little influence in setting national CPM policy, and parliamentary delegates – even those from West Bengal – probably would vote according to the dictates of the hardliner-dominated CPM Politburo. ~~()~~

b (3)

Internal Bickering

The inability of the CPI and CPM to work together further dims prospects for greater Communist power at either the national or state level. ~~instead of campaigning~~ together, each party has maneuvered to undercut the other's candidates in state elections in Tamil Nadu, Kerala, and Andhra Pradesh. ~~()~~

b (3)

b (3)

~~Secret~~

Communist Rhetoric: Throwback to the 1950s

b (3) The CPM Politburo called the events in Eastern Europe and the Soviet Union "a setback for world socialism" on 16 January 1990.

b (3) The official CPM newspaper praised Soviet leader Joseph Stalin on the 110th anniversary of his birth on December 1989.

b (3) The CPI Politburo extended "warm and fraternal greetings" to the Romanian Communist Party and rejoiced in the "successes achieved by the Romanian people under the leadership of Nicolae Ceausescu" on 25 November 1989 while Ceausescu's security forces were firing on protestors across the country.

b (3) CPM General Secretary Nambudiripad extended the party's "full support" to China's leadership and called the events in Tiananmen square "a counterrevolutionary rebellion supported by the bourgeois-controlled media" on 17 July 1989.

b (3) We believe the Communists' failure to cooperate is due largely to deep-seated animosities between CPM and CPI leaders.

b (3) There is considerable personal bitterness between senior members of both parties. CPM Politburo officials assert the CPI is not a "true" Communist party, while CPI leaders similarly condemn their CPM counterparts. b3 CPM leaders resent the CPI's past cooperation with the Congress Party in the 1960s and 1970s and view with suspicion more recent CPI declarations of willingness to work with the CPM against the Congress Party. This hostility has spread to the CPI and CPM rank and file, where there is little support to reunite the parties or increase cooperation.

b (3) The CPM's high-handed treatment of the CPI in West Bengal has generated further ill will.

b (3) The CPM-led Left Front government, in which the CPI is a junior partner, generally gives the CPI few rewards for its participation in the coalition.

b (1) b (3)

The CPI-CPM Split

India's Communist movement divided in 1964 when the left wing of the CPI withdrew to form the CPM, citing fundamental political and ideological disagreements with the CPI. The Marxist hardliners opposed the CPI's support of the ruling Congress Party and its endorsement of USSR General Secretary Khrushchev's revision of Communist ideology following Stalin's death.

b (3) In the decade following the split the CPI's cooperation with the Congress Party paid handsome dividends, helping it improve its position in several state assemblies and the parliament. b (3) The CPI also teamed up with the Congress Party to defeat CPM candidates nationwide. In the longer run, the CPM's anti-Congress Party message helped it become the dominant Communist party in India. The CPM rode to power in 1977, defeating the Congress Party and CPI in West Bengal and Tripura because of a voter backlash against Prime Minister Indira Gandhi's imposition of emergency rule from 1975 to 1977.

Emerging Difficulties in Bengal

Additional problems for the CPM are developing in West Bengal that could loosen its hold on the state. b (3) Jyoti Basu's pragmatic policies have alienated Marxist ideologues who have begun to challenge the party leadership internally or to leave the party and contest CPM candidates in local elections. b (3) Hardliners have forced Basu to oust thousands of new CPM members from the party on the grounds that they were not committed to CPM doctrine. b (3)

Additionally, CPM efforts to strengthen its hold on urban areas in West Bengal have sputtered. b (3) CPM efforts to reward loyalists by placing them in West Bengal's civil service have adversely affected the operation of schools, the police, and other parts of the state's administration. Corruption also is becoming more pervasive within the CPM after 12 years in power. We believe these problems are creating disaffection with the CPM among West Bengal's urban population and may lead to a loss of support in the next state election.

b (3)

India's Communist Fringe Groups

The Naxalite Movement. Radicals who broke from the CPM in 1969, the Naxalites adhere to a Maoist style of peasant Communism and advocate armed revolution to change the social, political, and economic structure of the nation. There are 22 Naxalite groups active in India, 12 in eastern India and 10 in the south—the most active of which are the five in Bihar state—but they have no central organization or formal coordinating body. The Naxalite ideology has little appeal in urban areas, severely limiting their political impact, but they have solid support among India's rural and tribal poor, especially in Bihar.

The Revolutionary Socialist Party. Formed in 1940 as an independent Marxist party, the Revolutionary Socialist Party has 30,000 members in West Bengal, Kerala, Bihar, and Tripura. Its strength is in Bengal, where it holds 18 seats in the state assembly and three in the national parliament. Mostly comprised of academics and intellectuals, the party is losing members to the CPM, which dominates the state and has a virtually identical ideology.

The Forward Bloc. Formed in 1939 from the Congress Party, the bloc espouses "scientific socialism" and class struggle. It has 26 seats in the West Bengal assembly and two in the national parliament.

the bloc also has offices in Tamil Nadu, Bihar, and Orissa. The bloc estimates its membership at 20,000, mostly in trade unions and among teachers. Like the Revolutionary Socialist Party, the bloc's political manifesto is virtually indistinguishable from the CPM's and is slowly losing its public appeal.

Nevertheless, we expect the CPM-led government to remain in power in West Bengal. Basu is popular, and the party's support in rural areas has been strengthened by the successful implementation of agrarian and fiscal reforms. political opposition in the state is fragmented and poses no threat. Recent initiatives by Basu to attract foreign commercial investment and to improve Calcutta's deteriorating public services may help improve the CPM's popularity in India's most populous city.

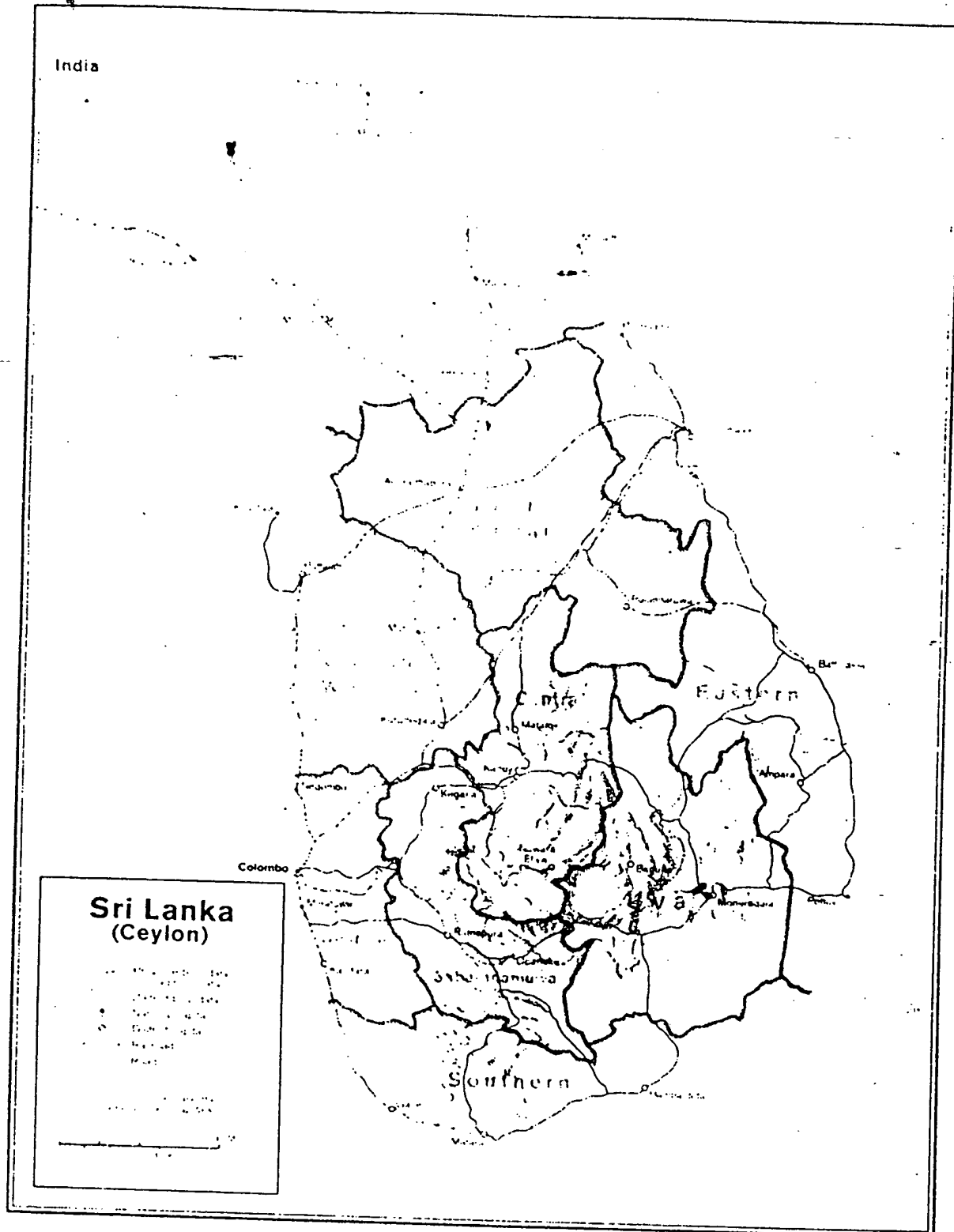
Prospects

India's Communist parties probably are past the peak of their parliamentary and state assembly power, barring an unexpected increase in mutual cooperation and enactment of ideological reforms to reenergize the movement and attract new voter support. It is unlikely the hardliners comprising the CPM and CPI national leadership will be able to reconcile their differences or reevaluate their commitment to Marxism-Leninism.

The CPM almost certainly will hold on to West Bengal for the foreseeable future and may regain power in Tripura. Without reforms, we believe the CPM will be unable to expand its influence beyond those states and that the CPM-led coalition will continue to lose power in Kerala.

The political future of the CPI is more bleak, in our opinion. Lacking a regional power base, the CPI probably will fall further behind the CPM in electoral support and may lose its more politically astute and ambitious cadre to its rival.

Secret



Secret

Sri Lanka After the Indians Leave

b (3)

The Liberation Tigers of Tamil Eelam, the most powerful Tamil group, are cooperating with the Sri Lankan Government in the wake of the Indian withdrawal from the island and have forged an uneasy alliance with President Premadasa over the past year. Nevertheless, the Tigers' record, their extreme demands, and their inability to tolerate opposition suggest they eventually will renew their struggle for an independent Tamil homeland in a direct challenge to the government's vital interests. The result could be a brutal civil war pitting the Tigers against the Sri Lankan Army.

b (3) Accommodation in the Short Term

We believe the Tigers have little to lose in the short term by continued accommodation with Colombo. They effectively control the northeast, having moved into areas vacated by the Indians and routed their Tamil rivals. Anti-Tiger Tamil fighters and supporters have fled the island. The Tigers have begun collecting taxes and maintaining order in some areas.

The Tigers also enjoy considerable popular support, in our view. The Tamils of the northeast perceive the Tigers as defenders of the Tamil cause and protectors against the Indian and Sri Lankan armies.

People in the northeast, however, are weary of violence and want the Tigers to give the political process a chance. many people defied calls by the Tigers to boycott the provincial election in November 1988 and the general election in February 1989 to send a message that they want peace.

Encouraging First Steps

The Tigers have made some positive moves that suggest their accommodation with Colombo will last, at least in the short run. They agreed to talks with the government in April 1989, and the two sides have met often since then. In December the Tigers formed a political party, the People's Front of Liberation Tigers. The party's name is significant because it does not include Eelam — the Tamils' name for their homeland. The Tigers have publicly called for the

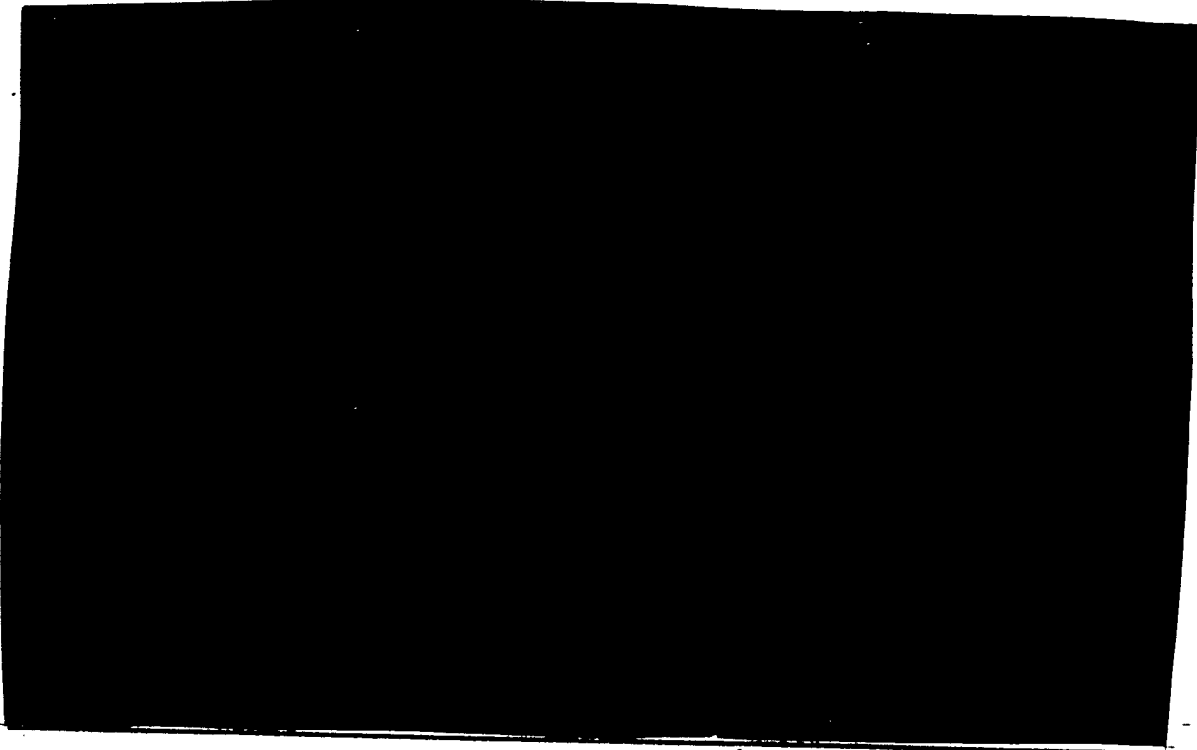
What the Tigers Want

The Tigers expect concessions from Premadasa on several issues that amount to independence for the northeast in everything but name, in our judgment. It is over these issues that we expect the government and Tigers eventually to collide, resulting in renewed civil war.

- **Sixth Amendment:** The Sixth Amendment requires office seekers to swear an oath to preserve the unity of Sri Lanka. The Tigers demand that the amendment be repealed. Premadasa has suggested he will alter the amendment to satisfy the Tigers.
- **Resettlement.** The government has agreed to stop resettling Sinhalese in the northeast.
- **Police Forces.** The Tigers demand that the police forces in the northeast hire many more Tamils. The government is attempting to accommodate this demand, but it is having difficulty.
- **Provincial Government.** The Tigers insist that Colombo devolve more power to the local government of the northeast. Colombo promised this as part of the 1987 Indo-Sri Lankan accord but failed to follow through. A local government with significant powers would give the Tigers — which would undoubtedly win local elections — control over education, taxes, and local police.

dissolution of the Northeast provincial council and a new election in which they would participate. Although the Tigers have prevented police stations from reopening near Jaffna — partly to press the government to put more Tamils on these forces — they have allowed police to resume duties in Trincomalee,

Perhaps more remarkable than what the Tigers have done is what they have not done. They have not attacked Sri Lankan forces moving into the northeast following the Indian withdrawal. the two sides have worked out procedures to avert clashes, including a ban on nighttime movements by armed members of either side. Both the government and the Tigers are seeking



b (1) b (3)

b (3) to avoid misunderstandings and ensure that small-scale confrontations do not escalate. ~~XXXXXX~~



The Tigers will probably continue to focus on political means to legitimize their popular support and to keep pressure on Premadasa to make further political concessions.



~~XXXXXXXXXX~~ Premadasa can get support for these concessions from his war-weary Sinhalese constituency. ~~XXXXXXXXXX~~

Poor Long-Term Prospects for Peace

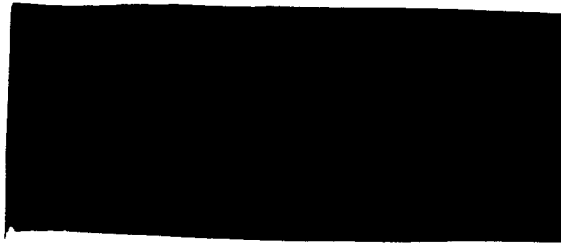
Despite these encouraging first steps, the Tigers' record allows little hope that they will negotiate seriously or abandon their goal of an independent state in the long term. The Tigers agreed to the 1987 Indo-Sri Lankan Peace Accord but eventually turned against their Indian allies. They were given seven of 12 seats on an interim council, but, unable to accept two representatives of a rival Tamil group, the Tigers refused to participate. ~~XXXXXX~~

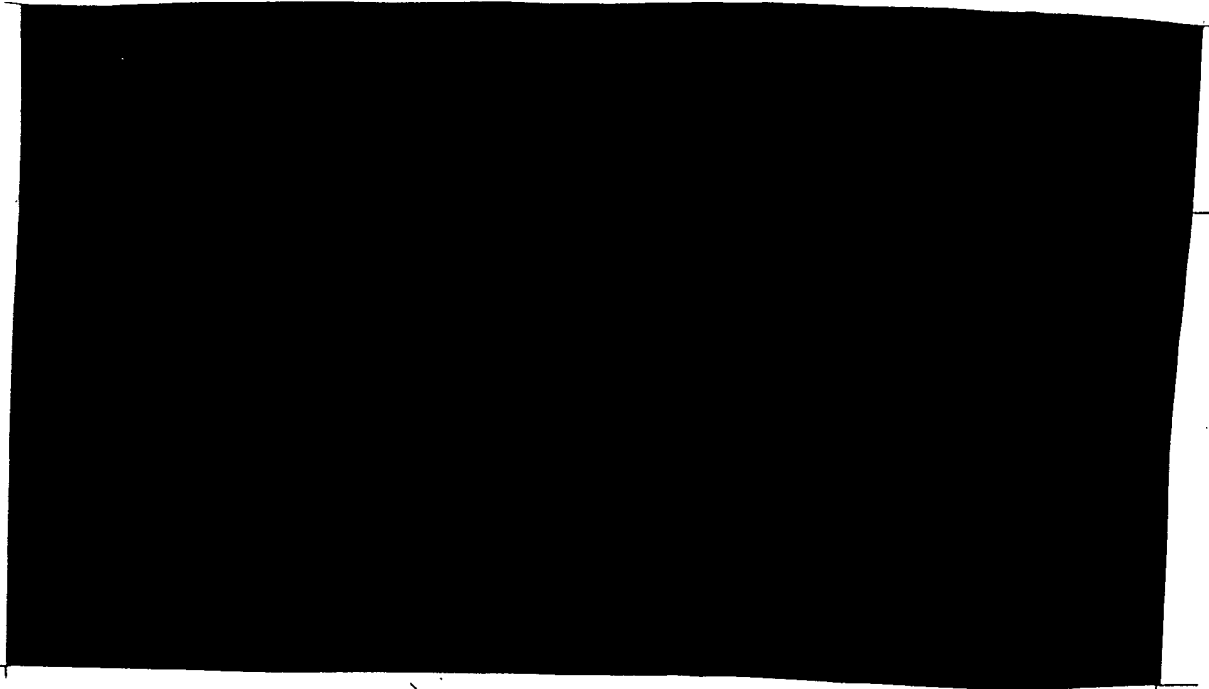
b (3)

b (3)

b (3)

b (1) b (3)





these rivals pose a significant threat to Tiger control of the northeast. (b)(3)

After the election is held, the Tigers will probably push Colombo for almost unlimited power in the northeast, including control over taxes, the police, and education, and an end to government resettlement plans. We believe an impasse over these issues, will result between the two sides, and the Tigers will once again take up arms against Colombo. (b)(3)

The result would probably be a brutal and lengthy civil war as the Sri Lankan Army, although battle-hardened after its two-year fight with Sinhalese insurgents in the south, would be unlikely to decisively defeat the Tigers. Clashes between the Sri Lankan Army and the Tigers would probably flare up first in the east, where the population is roughly divided between Tamils, Sinhalese, and Muslims. The Tigers demand that this area be administratively tied to the Tamil-dominated north. Muslim and Sinhalese in the east may resist Tamil control, and clashes between (b)(3)

Outlook

More Violence Likely. We believe the accommodation between the government and the Tigers will last at least for several months if Premadasa can quickly deliver the concessions he has apparently promised the Tigers. The Tigers are likely to keep the peace at least until the provincial election is held — probably this spring or early summer — to legitimize their popular support with a victory at the polls. The Tigers also need time to consolidate their position in the northeast following the Indian pullout. (b)(3)

Violence in the northeast will probably continue at low levels until the Tigers are satisfied they have liquidated their Tamil rivals. Despite the exodus of several thousand anti-Tiger Tamils, many remain and have disappeared into the jungle. We do not believe (b)(3)

Secret

b (3)

these groups could escalate into fighting between Sri Lankan security forces and the Tigers. ()

And More Abuses. Fighting between the Sri Lankan military and the Tigers could lead to international complaints about human rights abuses by the security forces, which have been implicated in abuses during operations over the past year against southern rebels. The abuses in the south appear to have slowed during the past several months as the rebel threat there has diminished, but the security forces probably will return to tough tactics if fighting with the Tigers erupts. In our view, Premadasa will have a difficult time containing the security forces — which became more assertive during the campaign against the Sinhalese radical group Janatha Vimukthi Peramuna — if they are pressed to fight the Tigers. Tamil militants are unlikely to target US officials and facilities in the fighting, although militants have stolen

several US Government vehicles stopped at roadblocks. ()

New Delhi is highly unlikely to move troops back to the island even if heavy fighting erupts. We judge Prime Minister Singh will try to sidestep criticism that the intervention failed by blaming former Prime Minister Gandhi for initiating the operation. Singh has a host of other domestic and foreign policy concerns — including tension along the Indo-Pakistani border — that will push Sri Lanka far down his list of problems. Singh probably realizes India's Tamils have grown tired of the violence in Sri Lanka and are unlikely to press the government to intervene again. Indian Tamils have been alienated by Sri Lankan Tamil refugees in India, who have sparked rising crime and violence in India's Tamil Nadu state. ()

b (3)

b (3)

b (3)

Secret

Royal Nepalese Army: Progress and Problems on the Road to Modernization

b (3)

The Royal Nepalese Army is responsible for protecting the monarchy and the Government of Nepal from internal and external threats. Years of neglect by the rulers of Nepal left the Army poorly staffed and equipped, struggling to provide even token defense against the country's large neighbors, India and China. What attention has been given to military needs has focused on improving the Army's internal security function, to the detriment of its national defense role.

b (3)

In our view, this policy has produced an army that can protect the Nepalese Government from internal threats but would probably be incapable of offering much resistance to a foreign invasion. Recent efforts to modernize the Army will probably have little impact on improving Nepal's defensive capabilities.

b (3)

Organization and Equipment

The Royal Nepalese Army has loyally supported the Nepalese monarchy since King Tribhuvan's ascension to power in 1951. Before 1951, the Army was primarily a vehicle for the Rana family—which had ruled Nepal since 1846—to reward supporters, thereby undermining its effectiveness and morale. King Tribhuvan restored the Army to a position of prestige within Nepalese society and encouraged military leaders to begin molding it into an effective fighting force. His successors have continued his policy of autonomy for the military.

b3

b (3)

b1, b3

b (3)

Nepalese forces are equipped with a disparate, mostly outdated, array of hardware acquired from several nations.

b3

Much of the

The Gurkhas of Nepal

The Gurkha forces, while originating in Nepal, serve only with the British or Indian armies and not in the Nepalese Army. The warrior reputation of this mountain-dwelling people has allowed Gurkha troops to enjoy higher pay, prestige, and better travel opportunities than Nepalese forces. Although top military officials have discussed establishing a reserve corps of retired Gurkhas, no Gurkha units have been formed.

b1, b3

Competition among Gurkha youths to enlist in the British or Indian armies is high, allowing both countries to choose the best candidates to enter their service.

b (3)

Army's equipment is received as donations from countries seeking to remove older equipment from their inventories.

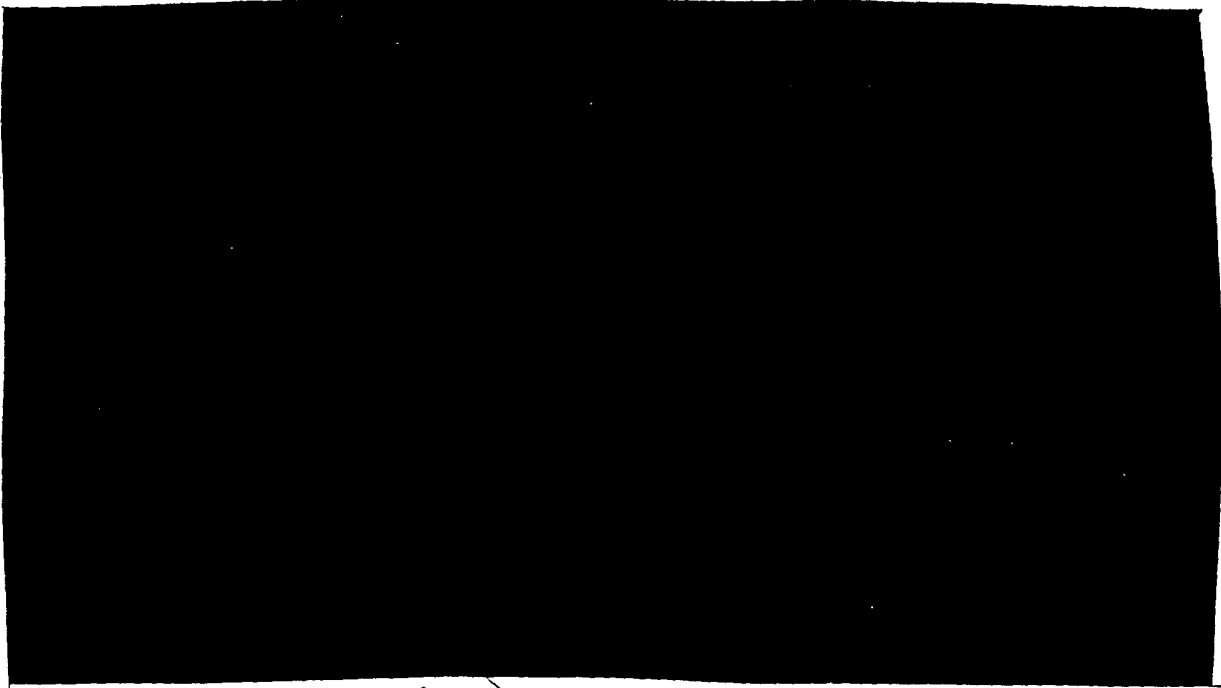
b (1) b (3)

Internal Role: Unquestioned Loyalty

We believe the Army's primary peacetime function is to provide internal security for the government. Although the Army is not involved in day-to-day internal security, it assists the police in times of internal crisis. Army units were used effectively in this role in 1960 and again in 1979 after police forces proved inadequate to the task of controlling unrest. During the unrest in February 1990, troops were positioned near centers of unrest but were not used because police proved able to control demonstrating crowds. These incidents proved to the Nepalese leadership that the Army was an integral part of its internal control mechanism that could be trusted in

b (3)

b(1) b(2)

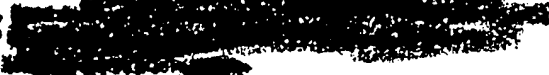


b(1) b(3)

times of crisis, [REDACTED]

The distribution of military forces within the country makes the Army an ideal tool for controlling internal unrest, in our view. Cantonments are located in all large Nepalese cities and towns, reducing the response time of military forces called out to halt unrest.

b1, b3



b(3)

The Army will support the monarchy and government in internal crises, although the degree of support for the regime varies throughout the military, in our view. The upper echelon of the officer corps is extremely loyal to the King. In response to recent unrest Army Chief of Staff Rana stated that the military would defend the King and his government regardless of the amount of force needed, [REDACTED]

b(3)

[REDACTED] Middle and lower echelons of the officer corps favor nonviolent change within Nepal to eliminate corruption in the government, [REDACTED]

b3

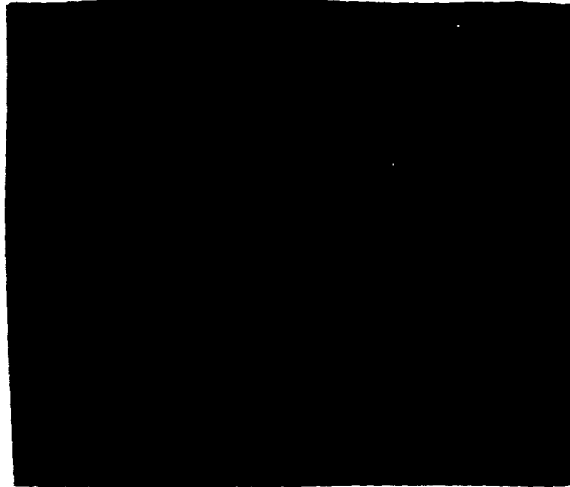
[REDACTED] Although this attitude may

indicate views favoring more democracy, a more likely explanation is that advocates of reform favor the removal of current senior officers, many of whom are viewed as corrupt by their subordinates. [REDACTED]

b(3)

b(1) b(3)

b(1) b(3)



External Role: The Switzerland of South Asia

Nepalese military leaders have indicated their interest in improving the Army's capabilities to provide a more credible defense against external threats—especially from India

Outlook for Army Capabilities

We believe the Army will be able to quell any mass uprising of antigovernment forces in Nepal. The location of military forces near Nepal's major cities ensures that it will be able to respond quickly to internal threats, especially in Kathmandu, where unrest is most likely to occur and the government's survival would be at stake. The willingness of commanders to use force to suppress unrest is not in question. Despite the more reform-minded views of lower echelon officers, the officer corps would probably support the monarchy in an internal crisis because most believe they have a personal stake in the survival of the government.

Despite recent modernization efforts, Nepal's forces are unlikely to be able to offer much resistance against an external attack by India or China. Apart from the overwhelming disadvantage in numbers,

several factors inhibit the Army's ability to defend Nepal:

- The concentration of military forces in major urban areas reduces the Army's ability to defend border areas in wartime.

~~Secret~~

- The Army lacks an effective command, control, and communications network to coordinate its forces during combat.
- Military training continues to be substandard despite efforts to improve both the amount and types of training available to soldiers.

- The upper echelons of the officer corps are not interested in foreign military cooperation, even when that cooperation favors Nepal, and they have little contact with innovative foreign military thinking.
- [REDACTED]

b (3)

b (3)

~~Secret~~

Near East and
South Asia Review

b (3)

Brief

Libya-Niger

Tripoli Gaining Access

b (3)

Under heavy pressure, Niger has given Libya significantly greater access in recent months, allowing it to expand its presence.

61,63
b (1) b (3)
63

• A Libyan consulate will open soon in the northern town of Agadez, where Libya's economic presence has grown significantly since President Ali Saibou came to power in November 1987. This will be Libya's first consulate in Sub-Saharan Africa and is the counterpart of the Nigerien Consulate that opened in Sebha, in southwestern Libya, in 1988.

• Libyan Arab Airlines will begin weekly service between Tripoli and Niamey this month. The airline's staff and facilities are frequently used to support Libyan terrorist and destabilization efforts.

b (3)

• Construction has resumed at the Libyan People's Bureau (embassy) complex in Niamey, two blocks from the US Embassy, and three new Libyan doctors began work at Niamey Hospital last month.

b (3)

In our judgment, most Nigeriens — including Saibou — are deeply suspicious of Libya, which claims nearly 20,000 square kilometers of northern Niger. Nonetheless, Niamey is acceding to Tripoli's demands because it fears offending its more powerful northern neighbor. Saibou may be concerned that student, labor, and ethnic unrest in February highlighted his regime's vulnerability to Libyan meddling, and he may be seeking to placate Tripoli. For its part, Tripoli probably hopes to use its Nigerien facilities to make trouble for President Habre's regime in Chad and for Libyan leader Qadhafi's other enemies in the region.

b (3)

Reverse Blank

b (3)